

Documents on
India's Foreign Policy
1973

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Satish Kumar

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Documents on India's Foreign Policy is an annual publication brought out by the Diplomatic Studies Division of the School of International Studies, Jawaharlal Nehru University, New Delhi. The objective is to fulfil a continuing need for basic source materials for the study of Indian foreign policy. The Diplomatic Studies Division decided to bring out this series as an essential tool for promoting the objectives of the Division, namely, undertaking in-depth studies on various dimensions of Indian foreign policy in the total perspective of contemporary diplomacy. The need for this series was deemed to lie in the fact that no comprehensive collection of documents pertaining to India's foreign policy was being brought out on a regular basis anywhere else.

The largest single source for the documents published in this volume is the *Foreign Affairs Record*, a monthly publication of the Ministry of External Affairs, New Delhi. There are, however, quite a few important documents obtained from other sources, like the Rashtrapati Bhawan Secretariat, the Prime Minister's Secretariat, the Ministry of External Affairs, and the Press Information Bureau. The documents have been arranged chronologically under regions, in a broad order of importance for India.

I am grateful to the Prime Minister, Smt. Indira Gandhi, and to the Government of India for having allowed the reproduction of her speeches and statements in this volume. The cooperation rendered by the Rashtrapati Bhawan Secretariat, the Ministry of External Affairs, and the Press Information Bureau is also gratefully acknowledged.

Miss P. Adi Lakshmi, Research Assistant in the Diplomatic Studies Division, shared with the Editor the main burden of responsibility in the preparation of this volume. I am deeply indebted to my colleagues, Dr. Pushpesh Pant and Dr. S.D. Muni, Assistant Professors in the Diplomatic Studies Division, for having given valuable advice while the work was in progress on this volume.

Prof. M.S. Agwani, Dean of the School of International Studies, and Prof. R.P. Anand, Head of the Centre for Studies in Diplomacy, International Law and Economics, deserve my warm gratitude for giving me the benefit of their mature experience and for providing the necessary administrative infra-structure for the preparation of this volume.

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Introduction

The year 1973 witnessed no basic challenges to which Indian foreign policy was called upon to respond. Developments in the region and in the world at large broadly vindicated the principles of Indian policy. There was, however, a phenomenon which caused a great deal of concern to India, namely, the developing detente between the global powers, the United States and the Soviet Union on the one hand, and the United States and China on the other. India felt constrained to comment on this phenomenon quite often during the year.

One of the ironies of international politics of our time is that India, along with many other countries comprising the non-aligned community, worked endlessly for detente. But when it came, it was found to be not an unmixed blessing. It aroused the suspicion that detente between big powers would not necessarily mean world peace. It led to fears that great powers, while relaxing tensions among themselves, might like to pursue their global objectives through perpetuation of tension in other regions. Thus, while the increasing contacts and agreements between the erstwhile adversary superpowers in 1972 and 1973 were welcome to the non-aligned world, there was at the same time accumulating evidence of fresh tension being created in new areas like the Indian Ocean. Besides, there was no evidence of the superpower conflict of interests being minimised in areas which were peripheral to their mutual detente, for example, West Asia.

Therefore, the government of India thought it necessary occasionally to warn the big powers about the nature of detente and its implications for peace in other regions of the world. Prime Minister Indira Gandhi, for instance, made a fairly lucid statement while addressing the One Asia Assembly (New Delhi, 6 February 1973) outlining India's reservations on the so-called detente in the following words:

We welcome any effort towards peace and understanding. We are glad of the belated confirmation of the views expressed by the non-aligned nations. But we are aware of the dangers which still hover over us. Detente should not become an occasion to build new balances of power and to redraw spheres of influence or to reinforce the opinion of certain big powers that they alone can be responsible for the shaping of the destinies of small nations.

A few months later, on 9 June, she was interviewed by Dr. Borivoje Mirkovic of Belgrade Television in New Delhi. In answer to the question

as to what were the main tasks of non-aligned countries in the new situation of big power detente, the Prime Minister replied:

We have welcomed the detente in Europe as well as the moves that have been taken in South East Asia. This is what we and also Yugoslavia have been advocating for all these years. So we are glad that the other countries have come round to our way of thinking. But we must not ignore the fact that simultaneously with these peaceful moves and detente, there is also the arming of other small countries, for instance. There are still the old attitudes of balance of power, of spheres of influence. I think that these pose certain dangers. So the non-aligned countries must beware of the dangers and they must try to help all the processes which lead to a greater detente and peace. The West had been thinking of Asia without China all these years. Now we hope they won't think of China without Asia.

In this context, the Fourth Non-aligned Summit Conference held in Algiers from 5 to 9 September was extremely significant. This was the biggest ever gathering of Heads of State or Government, attended by 75 full participants, in addition to twenty-four 'observers' and seven 'guests'. In this conference, the Prime Minister of India re-emphasised the continuing validity of the policy of non-alignment in the following words :

Non-alignment was born as an assertion of our will to be sovereign and not be mere objects of imperial history . . . It was a deliberate, though difficult, attempt to lower tensions and tempers at a time when these were considered the accoutrements of strength. It was a principled contribution to peace. Non-alignment has not lost any of its relevance even though the rigid attitudes of the Cold War have softened.

The conference adopted a number of declarations and resolutions, a significant feature of which, as summed up by the Ministry of External Affairs of the Government of India in its report for 1973-74, was a clear consensus on the evaluation of detente, and the validity, of non-alignment in the present international context. There was a recognition of the need for non-aligned countries, to safeguard their independence of action and their determination to ensure that international decisions affecting them are not made without their equal participation. There was also an emphasis on the urgent need for non-aligned countries to consolidate their economic independence and to work for collective self-reliance through mutual cooperation, in accordance with the specific objectives and line of action which was spelt out in the conference documents.

Thus, the general framework within which India conducted its foreign policy during 1973 was provided by two parallel developments which were not mutually exclusive, and yet not entirely compatible. There was, on the

one hand, the developing global detente which India welcomed. There was, on the other, a strong reaffirmation on the part of the non-aligned world of the validity of non-alignment despite the superpower detente, for, the widely held fear among the non-aligned community of nations was that detente among superpowers might lead to carving out spheres of influence by them in other parts of the world. Non-alignment was therefore sought to be strengthened as a sheet-anchor against the domination of the developing world by the developed world, even though the fact of relaxation of tensions within the developed world was welcomed by India and the non-aligned community.

Within this framework, India repeatedly emphasised the need for maintaining the Indian Ocean as a zone of peace, and for preventing any arms build up by outside powers in it. In this respect, a clear statement of Indian policy was made by India's Minister of External Affairs, Sardar Swaran Singh, while replying to a debate on the international situation in the Lok Sabha on 21 December. After stating that the Indian Ocean question was before the UN and that the General Assembly had adopted a resolution favouring the keeping of the Indian Ocean as an area of peace and tranquillity, free from the rivalry of big naval powers, and that subsequent steps were being taken to implement the General Assembly's directive, Sardar Swaran Singh said:

We are not in favour of any large scale presence of any outside naval powers, to whatever country it belongs whether to the United States, or the Soviet Union, or France, or China, or Britain, or any other country. Our position in this respect is quite clear. Under the present convention to which we have subscribed,...the naval ships of any country are entitled to go about in the high seas. At the same time, whatever may be the flaws in the present law, the presence of any naval ships, even though it may be juridically justifiable or based on any such convention and, as such something to which we cannot legally object, if it creates tension in the region, then the littoral countries in the region are perfectly entitled to raise their voice. We will continue to raise our voice to ensure that the Indian Ocean region is maintained as an area of peace and tranquillity.

Another development of great interest to India was the signing of the agreement for peace in Vietnam on 27 January 1973, between the USA, DRVN, RVM and PRG. To this, also, India reacted within the framework of the necessity to free the developing world from big power rivalry and tension as soon as possible. The signing of the Paris Agreement was for India a realisation of its well-known and long-standing demand for immediate ceasefire in Vietnam and the withdrawal of all foreign troops therefrom. India, therefore, welcomed the agreement, but, at the same time expressed scepticism about the prospects of peace as long as war continued in any part of Indo-China, and strongly called for the extension of peace

to other parts of Asia. Illustrative of this viewpoint, which was repeated at various international forums, was the following statement of Prime Minister Indira Gandhi in the course of her address to the One Asia Assembly in New Delhi on 6 February 1973:

I cannot help feeling that the very manner of ending the Vietnam war may create new tensions. The ceasefire should not lull us into comfort that there will be peace all the way. To many nations, peace itself has often been war by other means.

But the truce in Vietnam has opened out new opportunities of which we must avail, to devise and to take concerted steps. It is unrealistic to talk of any move towards normalisation in Asia when military action continues in any part of Indo-China. The Vietnam truce should also extend to Laos and Cambodia.

In this context, it is interesting to note the reiteration of India's firmly held view that the economic strength of a new nation is the only guarantee of its security against external threat, and that any ideas of economic cooperation, bilateral or multilateral, must originate from the country concerned. In an interview with the Prime Minister on 10 March, the New Delhi Editor of *The Statesman*, Mr. Kuldip Nayar, questioned her on India's role in South East Asia after the Vietnam peace, and the defence of the area after the American pull-out. The Prime Minister replied:

Well, as I said that once they build themselves up in economic strength, I don't think that they will be threatened in any way. If they have a foreign presence, they always will be threatened . . .

I think basically each country must be strengthened in itself and that is the greatest safeguard against any outside (interference). Certainly, there must be bilateral cooperation; there must be multilateral cooperation of small groups and large groups . . .

So far as India is concerned, we would like to cooperate and to contribute in any way we can to maintain peace and to build up the economic strength of these nations. This depends on what these countries themselves want. I mean we can only give or do what Vietnam, for instance, would like us to do. I don't think anything should be thrust on them however well intentioned.

An important aspect of international politics on which India expressed herself clearly during the year under review was the Asian Collective Security proposal of Mr Brezhnev, the General Secretary of the Communist Party of the Soviet Union. The Prime Minister and Foreign Minister of India were repeatedly questioned by foreign correspondents at various press conferences and by members of the Indian Parliament during debates on the international situation as to India's attitude towards the Brezhnev

proposal. The reactions of Indian leaders bring out different strands in India's thinking on the subject. The Prime Minister, when told by the correspondent of *Asahi Shimbun* on 16 September that China was sceptical about the Asian Collective Security proposal, said: 'India will not associate herself with any treaty which implies a military alliance.' She, however, elaborated on what she thought of this proposal at another occasion, at her end-of-the-year press conference in New Delhi on 31 December. The Prime Minister said :

As you know, we believe in bilateral relations as well as multilateral relations between all countries and specially between the countries of Asia. I had first mooted a proposal of setting up this kind of cooperation in Asia. I cannot remember which year it was but it was quite a long time ago when I was in Australia. I think it was 1968 or so. So we are for any kind of economic cooperation which can strengthen the countries within themselves and strengthen developing countries as a whole.

India's Foreign Minister, Sardar Swaran Singh, can be said to have provided another strand in India's thinking on the subject while speaking in the Lok Sabha on 21 December. He referred to the conflicts and tensions still prevailing in different parts of Asia, like Indo-China, the Indian subcontinent, and West Asia, and the existence of military groupings like CENTO and SEATO, and said: 'We would like these trends to be reversed and mutual confidence to be established. Any proposal which brings about such a result would be welcome to us.' From the totality of these utterances, one can discern that India would support any Asian Collective Security proposal only if: (i) it does not have any semblance of a military alliance; (ii) it promotes economic cooperation between the states of Asia; and (iii) it helps to eliminate inter-state conflict and tension in Asia.

Some other developments in international politics to which India felt constrained to react were the emergence of the European Community, the expulsion of Asians from Uganda, the West Asia war, and the closure by Rhodesia of its border with Zambia. About the European Community, India expressed the apprehension that it would become another 'rich man's club',¹ and desired that it should consider the needs of the developing countries. About the expulsion of Asians from Uganda, India expressed its serious concern as 'it has led to the uprooting of several thousands of people of Indian origin who had made Uganda their home and had contributed to its development'.² India invoked the principles of 'rapid economic development and racial equality and tolerance' in support of its concern. As regards the West Asia war, India reiterated the position that there could be no solution to the problem until Israel withdrew from the territories it

¹ Prime Minister Indira Gandhi's speech at the One Asia Assembly, New Delhi, 6 February 1973, p. 13.

² The President's Address to Parliament, 19 February 1973, p. 22.

had occupied by force as a consequence of the 1967 war. As India put it: 'A just solution based on the implementation of Security Council Resolution 242 (1967) of November 1967 and the recognition of the inalienable rights of the Palestinians can lead to an enduring peace in this region.'³ On Rhodesia's closure of its borders with Zambia which had led to the stoppage of Zambia's imports and exports through Rhodesian territory, India expressed its 'shock and anger',⁴ and offered to help the Zambian government with whatever assistance could be given.

At the conceptual plane, the Prime Minister made an important contribution to the understanding of Indian foreign policy by rejecting the validity of 'power politics' in international relations, and suggestion that India had become a 'dominant power'. While addressing the Lok Sabha, the Prime Minister said on 27 February:

Since December 1971 a new theory is being evolved, that of being a dominant power. I have never regarded this as a compliment. In fact, when I first read the phrase, I mentioned it to a newspaper correspondent who was interviewing me that in my view this was a crude attempt to sow suspicion against us amongst our neighbours. I have made the same remark during my visit to Nepal and on various other occasions . . . We in the Government of India do not believe in power politics. We do not desire the status or the perquisites of what is known as conventional power. Events in Asia have proved that this kind of thinking by anybody that he is or that a big power has dominant or some kind of divine right of a big power to a sphere of influence just does not apply in the contemporary world. We, of course, have never believed in this. Now it has been proved to the entire world.

In the realm of policy, a significant development was the forthright statement made by India's Minister of State for Defence Production that India would keep the nuclear option open. In response to some member's suggestions to this effect, the Minister of State for Defence Production, V C Shukla, stated in the Lok Sabha on 24 August.

I am quite one with Prof. Dandavate when he says that we should keep our nuclear options open. We have; we have not closed them. We have joined no such treaty which bars us from taking another view at any time we like. What we have stated in the House is our present policy.

India's bilateral relations with major powers as well as with countries of the third world continued to develop in a friendly manner. A significant event as regards relations with major powers was the visit to India of Mr L. I Brezhnev, General Secretary of the Central Committee of the Com-

³The Foreign Minister's statement at the UN General Assembly, 2 October 1973, p. 564.

⁴The President's Address to Parliament, 19 February 1973, p. 22.

munist Party of the Soviet Union, from 26 to 30 November, which gave further momentum to the successfully developing friendly and cooperative relations between India and the Soviet Union in all fields. As regards relations with the United States, an important development was the decision of the two governments to enter into discussions to resolve the outstanding problem of United States-owned rupees in India. These negotiations were successfully concluded and an agreement was initialled in New Delhi on 13 December 1973. (A formal agreement between the two countries on the question of PL-480 rupees was signed in New Delhi on 18 February 1974.) There was no significant change in India's relations with China. While India's efforts to normalise relations with China continued, there was no positive response from China.

There was, however, a significant improvement in the overall situation in India's neighbourhood. An Indo-Bangladesh Joint Declaration was signed on 17 April, providing a means for the resolution of humanitarian issues by simultaneous repatriation of the Pakistani prisoners of war and civilian internees in India, except those required for trial on criminal charges, and of Bengalis in Pakistan and Pakistanis in Bangladesh. This was followed by the Delhi Agreement of 28 August, signed between India and Pakistan, which provided for the simultaneous repatriation of all Bengalis in Pakistan, a substantial number of Pakistanis in Bangladesh, and all Pakistani POWs and civilian internees in India, except 195 POWs who would remain in India pending further discussions between India, Bangladesh, and Pakistan. As for other neighbours, the Prime Minister visited Nepal and Sri Lanka during the year, thereby strengthening the foundations of friendship with these countries.

Part I

India and World Affairs

**1. Foreign Minister, Swaran Singh's Press Conference in Tokyo,
9 January 1973.**

(Full Text)

MODERATOR: Friends, I welcome you all very warmly to this Press Conference. Our Foreign Minister does not need any introduction. All of you would have got a copy of [a] brief biographical sketch on the Foreign Minister which has already been given to you. I shall today act as a moderator at this conference. Our Foreign Minister will make a brief statement, a few introductory remarks at the beginning. Thereafter, it will be open to questions. And when you put a question, kindly announce the name and the name of the organization which the correspondent represents. All questions put in English will be translated into Japanese and all questions put in Japanese will be translated into English and all answers will be translated into Japanese. I would now request our Foreign Minister to make a few introductory observations. May I also take this opportunity of introducing our new Ambassador, His Excellency Mr Than and our Counsellor Mr Asrani whom you already know very well. Mr Paranjpe will be coming a little later.

FOREIGN MINISTER: First of all, I should apologise because I addressed all of you as gentlemen. Now I notice that there are two ladies amongst you. It gives me great pleasure to be with you and I have no intention to make any long statement. I would leave you more time to put questions. I would say that I am completing three days' visit to Japan where I came in response to the invitation extended to me by the Foreign Minister of Japan. The former Foreign Minister, Mr Aichi, visited India about 2½ years back and at that time he extended an invitation to me for a visit to Japan. This could not be availed of earlier. We had problems in our own part of the world and this is the occasion when this invitation was repeated.

I have, during these days' stay in Japan, had an opportunity of meeting the Prime Minister of Japan, Foreign Minister of Japan, Deputy Prime Minister and Minister of Industry and Minister for Economic Planning and I had an opportunity of exchanging views with the Japanese leaders on the international situation in [the] particular context of Asia, and the situation in this part of the world as also

in the Indian subcontinent was broadly discussed.

The views of two Governments on many of the matters concerning Asia, matters of peace and progress, are identical and their policies are in line with the general atmosphere of detente and relaxation of tension that at the present moment is prevailing in the world.

This process of detente started by relaxation of tensions in Europe by the dynamic policy pursued by Chancellor Willy Brandt and the two treaties—the Moscow Treaty between Soviet leaders and Chancellor Willy Brandt and later on the Warsaw Treaty between the Polish leaders and Chancellor Willy Brandt—created an atmosphere in Europe which was definitely an atmosphere of relaxation of tensions. The visits by the United States President Nixon to Peking and Moscow also created a relaxation of tensions and, from the point of view of Asia, the visit of Prime Minister Tanaka to Peking which led to the reversal of the relations between these two countries; from the former relations of type of confrontation, they were changed into one of cooperation and recognition of the two countries and their importance to each other, including the establishment of diplomatic relations.

We in India have been ever since our Independence having normal relations with the People's Republic of China. We have been consistently supporting the admission of the Government of the People's Republic of China into the United Nations and this policy of ours continued even after 1962—when there were some border clashes and there was armed conflict between India and the People's Republic of China—namely, that the Government of the People's Republic of China is the legitimate government of the whole of China, and the relaxation of tension, improvement and normalisation of relations between Japan and the People's Republic of China are a welcome feature.

In the Indian subcontinent, although we faced the armed conflict towards the end of 1971 but as soon as the immediate object which was before India, namely liberation of Bangladesh and preservation of our own sovereignty, these twin objectives were achieved, our Prime Minister unilaterally declared ceasefire and peace has obtained there in the Indian subcontinent between India and Pakistan. Then we took the initiative of convening the Summit Conference at Simla and at Simla the two sides—India and Pakistan—agreed that all disputes between the two will be resolved peacefully and bilaterally. I am glad that one important part of the Simla Agreement has been implemented: troops have already been withdrawn to each side in accordance with the Simla Agreement; prisoners of war that were in custody of each country on the Western front have also been exchanged, civilian internees have also been exchanged and there is general atmosphere of move towards normalcy and it is our expectation that during the year of 1973, things will be normalised further between India and Pakistan and Bangladesh, and the Indian subcontinent also, after about

twenty-five years, will be an area of countries having attitudes of good neighbourly relations, and the original atmosphere of confrontation, both political and military, would we hope will give place to an atmosphere of good neighbourly relations and of normalisation of relations.

Between India and Japan, there are no problems which should divide the two countries. There are no points of difference on any important national matters between India and Japan and both countries are pursuing a policy to strengthen peace and progress and our economic relations also are good. Japan is cooperating with India in several important industrial fields—like development of a harbour, establishment of fertiliser plant and also in several other important industrial ventures, in the development of certain iron ore mines—and I feel that there is further scope for Indo-Japanese co-operation in the development programmes and the industrialisation programmes of India. We have an arrangement with Japan of having contacts at the Foreign Minister's level from time to time where we discuss international issues and also bilateral relations and this opportunity was taken to discuss at the highest level matter of concern to the two countries and important international events. We also undertook a broad review of bilateral relations between our two countries. Now you can start with your questions.

QUESTION: You mentioned the fact that India and China had maintained normal relations until recently. And then you said you hope that relations would be better. I want to know what kind of steps you are thinking of in order to improve your relations with China, to normalise your relations with China in the future towards such questions as border question and so on. What are your ideas in this respect ?

FOREIGN MINISTER: We have always maintained diplomatic relations with China. The Chinese have always had a resident mission in Delhi and we have always had a resident mission in Peking. After the conflict between India and China in 1962, these missions in both countries had been headed by Chargé-d's, not by full-fledged ambassadors.

These relations were moving slowly towards improvement towards the end of the year 1970. Then the question of Bangladesh arose and at that time the Chinese attitude was tilted in favour of the military regime of Pakistan and this resulted in a further setback to the relationship between India and China. Now that the situation in the Indian subcontinent is improved, Bangladesh is now recognised by about 95 countries of the world, including four permanent members of the Security Council, it is only a question of time when Bangladesh will be admitted as a member of the United Nations. Relations between India and Pakistan also have improved after the Simla Agreement which has partly been implemented. So the temporary setback caused to the Sino-Indian relations will now be removed and the situation can revert to what existed towards the end of 1970. There may be a question relating to the border. But there is on the whole lack of tension at the Sino-Indian border and the border

had remained quiet particularly over the last five years or so and the relations can be improved and normalised and whatever may be the differences can be resolved in course of time. That is how I visualise it.

QUESTION: You mentioned the fact of Chargé-d'Affaires in Peking or China and in India. Now, [have] you any plans to unilaterally raise the level of your representation in Peking to that of Ambassador level this year in an effort to improve your relations with China? That is one question. And the other question is that India's relations with China are in a great way anticipated by China's relations with Soviet Union, particularly the current Sino-Russian confrontation. I wonder whether India has any plans or any ideas of mediating in the Sino-Soviet confrontation [sic].

FOREIGN MINISTER: Either side India or China can upgrade the level of representation. When Missions are there, either side can decide that they want to raise the level of representation and instead of Chargé d'Affaires, a full-fledged Ambassador can be sent by either side and there is no important question or principle involved and any time that we feel that there is any advantage in upgrading the level of representation from Chargé d'Affaires to Ambassador we can take the decision just as China can also take the decision to upgrade the level of representation. The relations between USSR and the People's Republic of China are at the present moment strained, but so far as Sino-Indian relations are concerned, the strain of the relations between India and China is much older historically than the strain between the USSR and China and it will not be correct to connect the Sino-Indian relations with the present state of relations between USSR and China. There is no question of India mediating between two big countries like China and USSR. We ourselves think that relations between two countries can be improved by bilateral contacts. We don't accept the mediation of any third country between us and China and therefore we don't claim to mediate between any other two countries. These are matters which are best sorted out by bilateral conference.

QUESTION: Regarding the improvement of relations between China and India and the admission of Bangladesh into United Nations, I believe that the question of exchange of prisoners between India and Pakistan is involved. What do you think of this?

FOREIGN MINISTER: The question of the repatriation of prisoners of war that came into the joint custody of India and Bangladesh is an important matter and we conveyed this to Pakistan from the very early stage of our talks in Simla that Bangladesh has to be involved in final settlement of the question of repatriation of the prisoners of war and in Simla Agreement itself it is mentioned that the question of prisoners of war will be discussed and settled between the sides and we were hoping that Pakistan would recognise Bangladesh. In fact it was indicated that they would do so some time in August 1972. They have not been able

to do this and it is our expectation that Pakistan, and these were the steps towards normalisation, and the question of the prisoners of war will then be settled by trilateral discussions and agreements between Bangladesh, India and Pakistan.

QUESTION: About Vietnam...(Indistinct).

FOREIGN MINISTER: The Indian position on Vietnam has been clarified more than once in Indian Parliament and elsewhere. We were totally opposed to the resumption of the bombing of North Vietnam and we have consistently held the view that this bombing should stop and that parties should arrive at a mutually acceptable arrangement, all foreign troops should be withdrawn from Vietnam and the people of Vietnam should be left to decide their own future in accordance with their own desire. And this situation in the States of Indo-China did come up for exchange of views in the course of my talks with the Foreign Minister of Japan and we hope that the present secret talks which have been resumed in Paris between Dr Kissinger and Mr Tho would now result in mutually acceptable arrangements and peace settlement would be signed soon so that situation of peace is restored, and I have no doubt that Japan with its *tremendous economic resources would be contributing for the reconstruction of the war-ravaged economy of Vietnam*, and India also can contribute its own share because we have always been sympathetic to the people of Vietnam in their suffering and the hardships that they have faced.

QUESTION: Regarding Vietnam, I would like to ask two questions. One is that although India will not be able to participate in the International Control Commission, would India be willing to participate in an international conference to guarantee the neutrality of Vietnam? And, second, regarding the stabilisation of Asia, after peace has been achieved in Vietnam, is India prepared to take some kind of initiative or to propose an international conference for the stabilisation of Asia?

FOREIGN MINISTER: With regard to the first part, my reply is that if and when an international conference is to be convened on the question of the *States of Indo-China* and if India is invited, we will be prepared to participate.

With regard to the second question, we always have taken the view that forces of peace should be strengthened in Asia and this can be done by strengthening the economies and the strength of the countries themselves, their sovereignty and their independence should be mutually respected and guaranteed and if there is any discussion in which the independence and sovereignty of the countries in Asia could be strengthened and guaranteed and forces of peace stabilised [*sic*]. We believe that mutual cooperation between the countries of Asia and the agreement, either expressed or implied, between the outside powers not to interfere in the Asian affairs—these will be factors which will stabilise forces of peace in Asia.

QUESTION: I would like to ask two questions which are related to the second

part of the previous questioner's question. I understand that the President of India is going to visit Malaysia in early March. I was wondering what connection there is between this visit to the problems that would be taken up during this visit regarding neutrality of the Asian countries. And the second question is regarding India's relations with the United States. During the war between India and Pakistan, relations between India and the United States cooled but a new Ambassador, Ambassador Moynihan, has been appointed to India by the United States and I would like to know your views with respect to your future relations with the United States.

FOREIGN MINISTER: The visit of our President to Malaysia will be a goodwill visit and normally at the time of the visit of the President of India, political issues are not discussed. They are discussed between Foreign Ministers or Prime Ministers but substantive political issues are not discussed when a President, who is head of the state in a democratic set-up (visits), these issues of a political character are avoided. But we are in touch with Malaysia. We know their views and we have very friendly and close relations with Malaysia.

The relations between India and the United States of America which became somewhat indifferent when the Bangladesh problem arose are now moving towards improvement and United States has recognised Bangladesh. United States supports the admission of Bangladesh into United Nations. United States is also supporting Bangladesh in its economic reconstruction programmes. And the appointment of a new Ambassador by the United States to India is a normal thing. We have an Ambassador in Washington and it is for the United States to select any of their representatives as an Ambassador. We will be glad to deal with the new Ambassador just as the United States will be glad to deal with whoever I appoint as Ambassador to Washington.

QUESTION: I want to ask about Taiwan. In relation to Bangladesh you mentioned that India supports self-determination of the peoples. Regarding Taiwan which is, at the moment, isolated from the international situation, but 50 million people are living there and the big problem is where will they go? If the people of Taiwan should elect self-determination, will India support this self-determination of the Taiwanese people? I ask this question because this will involve your relations with Peking. Probably your relations with Peking will not be a support to the Taiwanese people for self-determination.

FOREIGN MINISTER: Peking knows that we have always considered Taiwan as part of China. So there cannot be right of self-determination with regard to the part of any country. We have never recognised it and our position is quite clear.

QUESTION: (Indistinct.)

FOREIGN MINISTER: These are domestic matters between the Indians and the Indian representative—very minor matters, not of any news value for such an important press agency.

QUESTION: What do you think about your idea (indistinct)...collective security in the area?

FOREIGN MINISTER: Collective security can be strengthened by strengthening the individual security. And individual security is strengthened by economic cooperation and good relations and mutual respect for each other's sovereignty.

MODERATOR: Thank you, Sir. I would like to take this opportunity of thanking all of you for responding to our invitation and coming to this press conference. Thank you all.

QUESTION: One thing more—about the return of prisoners of war, His Excellency said, on the western front only. But this probably has not been said in the interpretation, lest everybody feels that all the prisoners of war have been returned.

FOREIGN MINISTER: But the subsequent question says that they know that. Thank you very much.

2. President V. V. Giri's Presidential Address at the One Asia Assembly, New Delhi, 5 February 1973.

(Full Text)

I am happy to be here this morning to participate in this Asia Assembly attended by eminent men and women from different parts of the world. This distinguished gathering brings to my mind the Asian Relations Conference of March 1947 which India convened in this historic city of Delhi on the eve of her Independence. Most of the Asian countries were then struggling to break off the shackles of colonial domination. A great awakening had come over the peoples of Asia that they would no longer allow themselves to be used as playthings or pawns in the hands of others. Anxious to assert our own rights and responsibilities, we desired to forge ahead along independent paths, so that we might fashion our political, social and economic structure best suited to our genius and our needs. We firmly believed that peace could come only when nations were free and when human beings everywhere had freedom and security and opportunity of growth.

Mahatma Gandhi and all our national leaders had all along proclaimed their full faith in the Asian and African nations realising not only their political independence but their economic freedom. In an illuminating address inaugurating the Asian Relations Conference, Jawaharlal Nehru rightly emphasised:

The freedom that we envisage is not to be confined to this nation or that

or to a particular people, but must spread out over the whole human race. The universal human freedom cannot also be based on the supremacy of any particular class. It must be the freedom of the common man everywhere and full of opportunities for him to develop.

Viewed in this background, this assembly, which is being held in India today, has a special significance.

I have always felt that we must strive for the promotion of the One World ideal. At the same time we cannot overlook that problems of a regional character, which are similar in most of the countries, have to be tackled on a regional basis. As early as 1927, speaking at the International Labour Conference at Geneva, I stressed the need for organising an Asian Regional Conference to focus the attention of the ILO on the problems of Asia. I suggested this as part of a strategy of effective functioning of the International Labour Organization. I was gratified to see that this idea was accepted and, two decades later, I had the privilege of attending as a representative, on behalf of India, the Asian Regional Conference of the ILO convened in Ceylon in 1947. Here, again, I cautioned that while such regional conferences were a very welcome step, they should not be considered as a substitute for action on a global scale.

This assembly is meeting at an auspicious time when the long-drawn out war in Vietnam, which caused us Asians so much anguish and righteous indignation, has come to a halt. We are happy that the war is over, but what is more important are the economic consequences of peace. Here is a test for the Asian Nations. Without competing in any way with the developed countries, can we not, the people of this continent, unite to help in the rebuilding of this nation where a most brutal war was unleashed causing unprecedented human misery. Maybe, our resources are limited. But what better way of expressing our solidarity with our Asian brethren can there be than committing ourselves to do our best in rebuilding Vietnam. A beginning could be made for a permanent forum where countries of Asia could come together and deliberate not only on this particular issue of rebuilding Vietnam but any other problems wherein the Asian Nations have a vital interest.

From the earliest days of India's freedom movement, we had visualised that political freedom to be meaningful should secure for the people the fullest opportunities for advancement in the social and economic spheres and that the State should make suitable provisions for ensuring such progress. We accordingly enshrined in free India's Constitution certain fundamental principles of State Policy. Thus, the State is required to strive to promote the welfare of the people by securing and protecting, as effectively as it may, a social order in which justice, social, economic and political, shall inform all the institutions of national life. The State is required in particular to direct its policy towards securing that the citizens, men and women equally, have the right to an adequate means of livelihood,

and that the ownership and control of the material resources of the community are so distributed as best to subserve the common good. The most important consideration governing these principles is that in making laws for the well-being of the people as a whole the general welfare shall prevail over the individual rights.

A most disquieting feature which should cause the deepest concern to us in Asia is that the vast majority of our people still remain poor and suffer from inadequate standards of living. This is accentuated to a large extent by the fact that the internal distribution of incomes in these countries also tends to be highly unequal. With a predominantly rural population, agriculture is our most potential and sustaining source of development. I have consistently advocated that a practical step towards solving unemployment is to settle people on land and give them every possible assistance to exploit the land to its fullest capacity. This will ensure food for the millions and enable building up a rural economy which will be viable and self-supporting. Almost all the Asian nations are basically agricultural and are still in the development stage. There is a great opportunity for us to pool our knowledge and exchange information that could be mutually advantageous.

Yet another problem that has baffled the world community, and more so in recent times, concerns unrest among the youth. This is not peculiar to any one country or continent. The unrest that we notice is perhaps an inevitable consequence of frustration caused by the lack of employment opportunities. This, however, is not the only cause. The crumbling social values and the obvious dichotomy between precept and practice lead to a growing disenchantment and occasional violent outbursts. There is a general clamour for a new world order in which there will be equal opportunity for every human being to rise to his full stature. A meaningful approach to find an answer to the problem of employment would necessarily involve training the youth in pre-vocational, vocational and technical skills in a variety of job-creating projects. Any programme that may be launched in this behalf should not be judged against any pre-conceived economic theories. We have also to evolve a labour-intensive technology to absorb the entire manpower surplus through all channels of employment.

In a world which is rapidly moving towards unity, national isolation can never succeed and has to be discarded. The national struggle for political freedom of any country soon resolves itself into a struggle for economic freedom. It is quite clear that the struggle hereafter will be based on economics and between the forces of the 'haves' and the 'have-nots'. A new world order differing radically from the old and ensuring peace and plenty on a universal scale has to be our ideal. In this, international peace and concord will be the real objective of all nations. National governments will have to accept the rule of morality and the stronger nations must give up all attempts to dominate and exploit the weaker nations. Equality among human beings has to be fully recognised and no special privilege or superiority assumed by or attached to any race or nation. The hope for

lasting peace lies not in domination by one nation, however affluent and powerful that may be, over another. The days when bigger nations controlled the destinies of the smaller and weaker ones are long past. In the chequered history of the world, we are now face to face with the period of resurgence of the suppressed nations of Asia and Africa. The quest for work for all and peace for all mankind are now the greatest need of humanity.

Asian nations have a gigantic problem of ensuring the basic necessities of life to their teeming millions. A growing population, rising costs and vicissitudes of nature have added their share in slowing down the rate of progress. Population control programmes can be productive of better results when they are combined with visible measures to promote social and economic well-being. Here the emphasis has to be on a decent life and better living conditions. There has to be brought about an awakened consciousness in the minds of the people that every individual has a responsibility in the upbringing of his family and to provide its members with basic amenities of life. The UN has declared that 1974 will be World Population Year, and I am happy that this assembly has a number of specialists. I have no doubt that they will devote their special attention to the population problem.

In most of the countries of Asia poverty and illiteracy are the major obstacles to development. We have to utilise the powerful media of modern mass communication to bring about a new awakening among the people and open the pathways to social change. This assembly of experts will, I am sure, formulate positive measures by which there will be a better understanding between the peoples and leaders of the Asian countries of their problems, their aspirations and hopes. Mass media are a potent instrument in this regard and, if properly utilised, can bring about a tremendous social transformation that can change the face of Asia.

I congratulate the Press Foundation of Asia on sponsoring this assembly. The assembly is a major gathering of international thinkers, scholars, Government leaders and mass media men who are capable of conducting fruitful discussions and arriving at conclusions which could be of immense value. I am particularly gratified that Mr Kurt Waldheim, the Secretary-General of the United Nations, is inaugurating this assembly. He is the first civil servant of the world community and his association with this assembly is, therefore, of special significance. I welcome him and all the other eminent delegates and participants who are present here. I hope those of you who are new to our country will take the opportunity to visit other parts of India and get a glimpse of our culture and feel the warmth of our traditional hospitality. I wish your deliberations all success.

to wage a crusade against communism or other doctrines. In India we have always rejected what we consider the rather naive theory of political vacuums. Europe shed its colonies not out of altruism or caprice but because of the rising pressure of Asian nationalism. With this assertive nationalism, how can there be a vacuum? The very theory of a power vacuum is thus a continuation of the colonial outlook in another garb.

The West has not been able to assess the power of nationalism, even when forced to yield to it. This explains the paradox of the West's involvement and failure in Asia in the past two decades. Various alliances which were forged seem rather pointless now. The forces which were sought to be eliminated through these alliances are still in evidence and, since the policy and the methods adopted were such obvious failures, there is now an effort to build bridges with the very nations whom they had sought to contain.

We welcome any effort towards peace and understanding. We are glad of the belated confirmation of the views expressed by the non-aligned nations. But we are aware of the dangers which still hover over us. Detente should not become an occasion to build new balances of power and to redraw spheres of influence or to reinforce the opinion of certain big powers that they alone can be responsible for the shaping of the destinies of small nations.

I cannot help feeling that the very manner of ending the Vietnam war may create new tensions. The cease-fire should not lull us into comfort that there will be peace all the way. To many nations, peace itself has often been war by other means.

But the truce in Vietnam has opened out new opportunities, of which we must avail, to devise and to take concerted steps. It is unrealistic to talk of any move towards normalisation in Asia when military action continues in any part of Indo-China. The Vietnam truce should also extend to Laos and Cambodia. All countries of Asia must cooperate with the nations of Indo-China in their immense tasks of reconstruction.

Indian tradition has always spoken of one world—I have grown up in this belief and I abhor chauvinistic nationalism or racialism of any colour and type, but I would like to ask a question: would this sort of war or the savage bombing which has taken place in Vietnam have been tolerated for so long, had the people been European?

The interests of trade and commerce and of the manufacturers of armaments do not distinguish between ideologies and have no compunction about making an about turn should it suit them to do so. A declaration of love for democracy does not seem to be incompatible with open admiration for dictatorship. While this attitude remains can there be clear thinking or positive action for real peace?

Discussions in this Assembly have ranged over problems of economic development—I am specially glad to see that the distinguished author of "Asian Drama" is also present with us. Most experts equate development

with the prototype of the affluent countries of the West. In the middle of the nineteenth century, scientists evolved concepts of natural selection which were adopted by political theorists to justify the exploitation of one class by another, one race by another and one country by another. In the last part of this century, certain new economic, technological and biological theories have been put forward which would consign a large number of nations to perpetual backwardness. They imply that a late starter could never catch up. Many of our own political and economic scholars in Asian countries seem to be converted to this opinion reiterating that the rate of growth is all important, that progress is synonymous with urbanisation, with established patterns of industrialisation and production and an advertisement-and-acquisition-oriented society. Do they really justify all that has occurred in the advanced countries as desirable and worthy of emulation by the poorer countries? Ideas on drugs and diet—the value of proteins or calories for instance—have fluctuated but each in its time has been held as indisputable. Advance in modern medicine has provided cures for many old diseases but such treatment is becoming increasingly expensive and new ailments have appeared. Pesticides eradicate insects but also affect the health of human beings. The list is a long one: There is blind reverence for the written word. But has literacy increased comprehension or brought any kind of wisdom?

The following is the transcript of question hour session at the end of the Prime Minister's address to the One Asia Assembly.

(Excerpts)

QUESTION: Supposing that recognition of Bangladesh is not forthcoming on the part of Pakistan, would the question of Pakistani prisoners of war remain unsolved?

PRIME MINISTER: I am sure distinguished delegates and others present here will appreciate that one cannot set a date to such things. One has to see what is the background to this question. India certainly does not want to keep the prisoners of war here for a day longer than we must. I am sure you will appreciate that it is a big burden for us—financially and in other ways. But it is not a question which involves India alone. It does involve and concern another country which is now independent and which is recognised by a large number of other countries. So it is a matter which can only be decided by all the three countries of the sub-continent.

QUESTION: In what way does India envisage to cooperate in the post-war re-construction of Vietnam?

PRIME MINISTER: Well, we do think that it is our duty to help Vietnam who has been through such tremendous human suffering and devastation. Well, we can only do it by...of course we are seeing what we can give, whether in terms of things or people who can help to set up. ...It is really for the Vietnamese to decide what sort of help they want and then only the helping nations can see what they can give.



QUESTION: Madam Prime Minister, what is the state of India's policy of neutrality and its adherence to the Third Nation approach in world affairs at the present moment?

PRIME MINISTER: Now, to come to the policy of non-alignment. India never had a policy of neutrality. We don't think that any living human being can be neutral about matters which affect his country or other countries because what happened anywhere does affect everybody else in the world. We have been non-aligned and what we meant by non-aligned is, firstly, that we did not belong to any military bloc and, secondly, that we reserve the right to judge an issue and to take action according to our own interests and what we consider to be the interests of world peace. That is, we don't decide on any issue because one bloc says something or another bloc or one Big Power or small country said one thing or another. We decide things on the basis of our own views and assessment. This is what we have meant by non-alignment and we think that this is the only policy one can have in order to be truly independent. And as I said in my opening remarks, we find that although people felt very strongly about their military alliances and about various blocs, they are today making friends, having trade, economic relations, cultural relations with the countries in opposing blocs or which were in no bloc. Therefore, there must be some virtue in this for these Big Powers and countries to have changed their opinions and changed their policies.

India has also never used this phrase 'The Third World' because that means that there is another third bloc whereas we are against such blocs. We think that we are all individual countries, but, for instance, countries of the developing nations have very many interests and problems in common and we should certainly cooperate on economic and other sides, but the formation of any kind of military thing creates a reaction leading to tension and then the whole purpose, which I suppose was to keep peace or to lessen tension, that prospect is nullified.



QUESTION: What are your views on the proposed neutralisation for South

East Asia and, now that the Peace Treaty for Vietnam has been signed, what do you think of the prospects of the proposed neutralisation for South East Asia being realised?

PRIME MINISTER: Well, as I said, we all sincerely hope that this peace, this ceasefire will lead to a lasting peace and will be extended to those of the countries where it has not so far been accepted. At this moment, I think it is rather a fluid situation and it is very difficult to say what will happen next. We would like certainly the whole of Asia to be an area of peace and cooperation because Asia, perhaps of all the continents, has suffered very much and it is high time that we got together to look after ourselves and to solve our vast problems, rather than being involved in this kind of conflict. But it is very difficult to say exactly what shape this will take. Perhaps the coming weeks will give a clearer picture.

QUESTION: What could be the main difference between an Asia without American military presence and Asia before the American pull-out?

PRIME MINISTER: *For one thing the pull-out is the step towards peace.* So, obviously, it is a very big step and those who are optimistic will hope that it will lead towards a lasting peace. We in India are against military presence anywhere because as I said earlier that one military presence attracts another military presence. Nobody in this world is willing for one group to extend its spheres of influence and not to be concerned or not to do something else. So not only has in Asia, but anywhere in Mediterranean or anywhere else when there is one presence, that gives an excuse for another presence and this is how gradually a tension can build up.

QUESTION: What is the best kind of help the developed countries can give? Can conventional foreign aid really help?

PRIME MINISTER: If by 'conventional foreign aid' is meant aid with strings or aid which largely directs you what you should do, then it has not been a big help. Also the burden of repaying these credits is a very heavy one and a crushing one. So far as India is concerned, I think always you must know, to certain countries whatever we now get, we have to return straightaway. It is rather a ridiculous situation. It does not help further at all. The best way of helping of course is to help the developing country to stand on its own feet. That is primarily through trade and other steps which would encourage production and strengthening of the economy of the country and also perhaps in helping in certain sophisticated areas which we are not capable of doing ourselves. But this is the situation or a picture which is constantly changing. India wanted help in certain regions. Today that picture has changed because we have more know-how, we are making more machines and so on and naturally we do not want to duplicate that from anywhere else. But it looks like that in areas which we cannot manage by ourselves, that situation after ten years may be quite different.

QUESTION: Do you visualise the economic cooperation between Nepal and

India subsequent to your forthcoming visit to Nepal beginning from tomorrow?

PRIME MINISTER: I certainly hope so. Nepal believed in friendship with all countries, but we have very special warmth for Nepal and we think that any relationship which we build up on trade relations, economic cooperation, will be to our mutual benefit of both the countries.

* * *

QUESTION: Do you think peace in Asia is possible in any way without the participation of China?

PRIME MINISTER: Obviously, all the countries of Asia should cooperate, but if one country is not cooperating, that does not mean that others should wait. They should go ahead with their cooperation and build up and strengthen economy. Perhaps that itself would encourage China's cooperation.

* * *

QUESTION: What can be done to assure the Vietnamese political prisoners are not exterminated?

PRIME MINISTER: Well, I think that the international community should look into this. I don't think that... it is very difficult in such matters for outside countries to interfere.

QUESTION: Does the enlargement of the European Community pose new problems to India? How do you propose to solve them?

PRIME MINISTER: Any new step poses new problems to India as well as to other countries. For instance, European Community has posed new problems for Europe also, and even for England which wanted so much to join it. But it has created problems and it has created problems for us also. Well, we hope that it won't become another rich man's club and that they will consider the needs of the developing countries. Some of them have assured us that they will, and, again, we can only wait and see what happens.

QUESTION: Do you see enough future for Indian help for reconstruction of South Vietnam as well as North?

PRIME MINISTER: That has been dealt with.

QUESTION: How do you see the role of India in building a peaceful Asia after Vietnam?

PRIME MINISTER: Role of India would be the same, that is to make every effort to lessen tension, to build up friendship and conditions where there can be closer and greater cooperation.

* * *

QUESTION: Is India taking any initiative to form a close-knit alliance in the subcontinent severed by the Himalayas?

PRIME MINISTER: I do not know what you mean by close-knit alliance, but we do believe that the friendship between the three countries of the subcontinent is very necessary to the growth and development and progress of the three countries. And that is why all the initiatives we took with regard to Pakistan were for this reason, which was not a passing phase of generosity or anything like that. It is because we firmly believe that peace and friendship are a 'must' for us and we have been trying to do everything possible to normalise relations.

4. Prime Minister Indira Gandhi's Press Conference at Palam Airport on Return from Kathmandu on 10 February 1973.

(Full Text)

QUESTION: Welcome back.

PRIME MINISTER: Thank you. Glad to see you all.

QUESTION: Madam, have you seen the report that US have welcomed the statement by you that your remarks were not directed against USA? Would you like to say something more? Why they reacted so angrily and so arrogantly in the beginning?

PRIME MINISTER: That is something you ask them. What can I say? This just shows that misunderstandings can arise.

QUESTION: What about the racial aspect of the statement?

PRIME MINISTER: I don't think I better comment. I have very definitely said myself that was not my view in the same speech.

QUESTION: You had discussions with the Secretary-General. Was there any reference to a summit meeting during these discussions you had with the Secretary-General and do you visualise any prospects of such a meeting?

PRIME MINISTER: What summit are you talking about?

QUESTION: Between India, Pakistan and Bangladesh. He said in Dacca there is a likelihood of leaders of India, Pakistan and Bangladesh meeting very soon to sort out their problems physically or otherwise. Do you think there is a possibility of an early meeting?

PRIME MINISTER: It is very hard to say. I do not know.

QUESTION: Is there any possibility of a meeting of three leaders before Pakistan recognises Bangladesh?

PRIME MINISTER: Well, it depends on the Bangladesh leaders. Certain matters are bilateral between us and Pakistan which we have to solve with them. Others are bilateral between Bangladesh and Pakistan which they too have to solve. Few are concerning us all.

QUESTION: Have you seen the report that Pakistan is taking the POW issue to the Security Council? And there is also the report that the Secretary-

General has agreed with Mr. Bhutto that the Simla Accord does not preclude an initiative by the United Nations to resolve the disputes between India and Pakistan. This goes against bilateralism. That is why I want your comment.

PRIME MINISTER: Yes, and there the general view expressed was that going to the United Nations previously by Pakistan has not solved anything. That is why we said, 'let us try a new method and try and solve things bilaterally'. And I don't want to belittle the United Nations. It has a big role to play in the international affairs, but certain things are easier solved amongst the people concerned than by bringing in others.

QUESTION: As you have been taking the initiative to break the ice in the subcontinent, are you thinking of taking a fresh initiative so that outsiders do not jump in?

PRIME MINISTER: We are constantly trying. Sometime before, earlier on, I had written to President Bhutto also.

QUESTION: But what is the response from him? He is again invoking the United Nations.

PRIME MINISTER: I have expressed my views.

QUESTION: But there is no response from him to that letter.

PRIME MINISTER: Well, we keep on hoping and trying. And it is very strange that all these people who are concerned about prisoners of war do not seem to be equally concerned about civilian Bengalis who are kept in Pakistan—a large number of them.

QUESTION: Did the Secretary-General give any such indication that this matter might be taken up in the United Nations?

PRIME MINISTER: I do not think so. Not so far as I remember.

QUESTION: Then he has also said about the role of UN observers in Kashmir that India has made no request to withdraw them, they are doing a good job and functioning on both sides.

PRIME MINISTER: I have not seen his statement.

QUESTION: It has come from Dacca.

PRIME MINISTER: But I have not seen it. So it will not be right to comment till I know exactly what he has said.

QUESTION: But, Madam, is it true that we have made no request to withdraw UN observers because we have been saying that they have no utility?

PRIME MINISTER: I think we have. I will check on it.

* * *

QUESTION: Could you say something about your visit to Nepal?

PRIME MINISTER: It was, I think, a very useful visit because it gave me a deeper understanding, and of course most important is to meet people. One can read about policies and so on. But I think it is very useful to have an exchange of personal views. And everywhere I went, of course, people gave their good wishes to all the people of India.

**5. Official Statement by a Government of India Spokesman
in New Delhi on the International Monetary Situation,
15 February 1973.***

(Full Text)

On Monday night (12th February) the USA announced its decision to devalue the dollar by 10 per cent. The pound sterling continues to float and the Yen has also floated. A new central rate of Deutsch Mark, 2.9003 equal to one dollar, has been fixed by West Germany. The Italian lira is also floating.

We have been watching these developments primarily from the point of view of their effect on our trade and our economic position in general. As you gentlemen know, after the Smithsonian agreement we fixed a central rate of £1=Rs. 18.9677. Subsequently, after the pound floated, Reserve Bank has been buying and selling sterling since last July at rates around Rs. 18.80 equal to one pound sterling operating within margins notified by Government. This was the prevailing situation even three days ago. In the wake of the developments in the international currency markets, the Reserve Bank suspended forward transactions on 13th February and also notified the authorised dealers that spot transactions would be at rates which may be regarded as provisional. This was primarily a precautionary action in view of the prevailing uncertainty and the closure of the major exchange markets in the world.

After markets opened the pound sterling has appreciated *vis-à-vis* the devalued US dollar. Before the devaluation of the dollar, the London market rate was one pound sterling equal to 2.38 dollars. The latest available rate is one pound equal to 2.47 dollars. This represents an appreciation of about 3.7%. The Indian rupee has also, likewise, appreciated similarly *vis-à-vis* the dollar. The cross rate of Indian rupee *vis-à-vis* the US dollar has stood at Rs. 7.9 just before the dollar devaluation. Currently it is around Rs. 7.6.

Exchange rate is, of course, a relationship between the currencies. Even if no action is taken by us, the value of the rupee in relation to other currencies necessarily changes as a result of action taken by others. Leaving out the rupee trade, bulk of our external trade is invoiced in the two major currencies of the world, namely, the pound sterling and the US dollar. It is for this reason that the sterling-dollar rate is of the greatest importance to us. We are watching the movements in this rate; as of now, sterling's appreciation *vis-à-vis* the US dollar is relatively small and, therefore, its impact on our trade is not likely to be significant. Because the stronger currencies of the world, namely, the Deutsch Mark and the Yen, have appreciated *vis-à-vis* all other currencies, including the Indian rupee, our

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exporters should gain an advantage in competition with German or Japanese goods in third markets. It remains to be seen, however, how international prices readjust in the light of currency movements.

In sum, having considered the matter, Government does not at present feel it necessary on the basis of the present situation to change the central rate of Rs. 18.9677 to the pound fixed on 20th December 1971.

6. President V.V. Giri's Address to the Joint Session of the Parliament, New Delhi, 19 February 1973.*

(Excerpts)

I now turn to relations with neighbours, near and far. We have desired the establishment of mutually beneficial and friendly relations with Pakistan. We signed the Simla Agreement as the first step towards the establishment of durable peace. The Agreement lays emphasis on bilateralism for the solution of differences by peaceful means and excludes outside agencies and third party involvement. I am glad that India and Pakistan have been able, through bilateral negotiations, to determine a line of control in Jammu and Kashmir which is to be respected by both sides. Similarly, both sides have withdrawn their troops to the international border; in the process, India has vacated about 5900 sq. miles of Pakistan's territory. This by itself is concrete evidence of India's friendly intentions towards Pakistan.

The prisoners of war of the Western front have been exchanged. It is hoped that Pakistan will create the necessary conditions which would enable the three parties to the conflict in the Eastern theatre to hold discussions for the repatriation of the prisoners of war who surrendered to the joint command of India and Bangladesh Forces. The Simla Agreement holds promise not only of improving and normalising relations between India and Pakistan but also of establishing durable peace in the subcontinent as a whole. This will enable the countries of the subcontinent to devote their energies and limited resources to the urgent task of furthering the economic and social well-being of their peoples.

Our friendship with Bangladesh has taken concrete shape in the historic Treaty of Friendship, Cooperation and Peace and in agreements on various matters of mutual interest. Bangladesh has made remarkable recovery from the ravages of the liberation struggle. Within a year, Bangladesh has adopted a Constitution and is about to hold her first General Elections. Seldom has a nation which has been through so harrowing an ordeal progressed so rapidly on the road to political stability and economic recovery. We hope that Bangladesh, which has been recognised by 95 countries, will take her rightful place in the United Nations. We share Bangladesh's

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concern for her nationals who are detained in Pakistan and hope that they will soon be released.

In the death of His Majesty, Jigme Dorji Wangchuk, Bhutan lost a great statesman and India a dear friend. The news of his demise in Nairobi was received in India with a deep sense of shock and sorrow. We extend our cooperation to the new King, His Majesty Jigme Singye Wangchuk, and are confident that during his rule the existing ties of close friendship between Bhutan and India will be further strengthened.

We are happy that the long-delayed peace agreement in Vietnam has been concluded and that the terrible war that raged for a whole generation, causing great suffering and hardship to the people, has ended. We hope that the ceasefire will lead to a durable peace which will enable the people of Vietnam to address themselves to the tasks of reconstruction. We hope also that peace and order will come to the neighbouring States of Laos and Cambodia.

We have strengthened our ties of friendship, mutual understanding and cooperation with all countries. It is gratifying that with many of them our trade has also registered an increase. We value our close ties with the Soviet Union and will continue to strengthen them.

It is our earnest desire to improve understanding and cooperation with the United States of America.

The emergence of a new Western Europe, following the entry of the United Kingdom, Denmark and Ireland into the enlarged European Economic Community, is a major development. It is our hope that this bigger European Community will look outward rather than inward and pursue a helpful approach to the problems of the developing countries.

We welcome the positive trends in the international situation which have created an atmosphere of detents. My Government would like to normalise relations with China. We view the moves towards reconciliation between the United States of America and China, Japan and China, and between North and South Korea as positive steps in favour of the relaxation of tensions. In Europe, the acceptance by the Federal Republic of Germany of existing frontiers has led to relaxation of tensions between the Federal Republic of Germany and German Democratic Republic, in particular, and other European States in general.

We shared with the Zambian people their shock and anger when Rhodesia closed its border with Zambia and stopped the transit over Rhodesian soil of all Zambia's imports and exports. We have offered to help the Zambian Government with such assistance as we can give. We regret that because of the situation created by the Rhodesian action, the Zambian President, Dr. Kenneth D. Kaunda, could not pay his State visit to India last month.

The expulsion of Asians from Uganda has been a matter of serious concern to the Government as it has led to the uprooting of several thousands of people of Indian origin who had made Uganda their home and had

contributed to its development. During my visits to Ethiopia, Tanzania and Zambia, I found how these actions had embarrassed enlightened opinion in African countries which are striving for rapid economic development and racial equality and tolerance. We continue to make common cause with the people of Africa who are fighting against colonialism, injustice and oppression. I am happy that our technical and economic cooperation with African countries is rapidly increasing.

We regret that there has been no progress towards a solution of the problem created by Israel's occupation of Arab territories. Our stand on this critical issue is based on principles which we have again supported in the last resolution in the United Nations calling on Israel to vacate these territories.

Honourable Members, the correctness of our internal and external policies and the basic vitality of our economy, our institutions and our people have been proved time and again whenever the country has had to face grave situations. I am sure that our present difficulties are temporary and that we shall overcome them and emerge more united and disciplined. We shall have to work with clarity of vision and unity of purpose to meet these challenges.

7. Finance Minister Y.B. Chavan's Statement in the Rajya Sabha on Dollar Devaluation, 21 February 1973*
(Full Text)

It will be recalled that, in December 1971, there was a realignment of currencies as a result of the agreement among the Group of Ten at a meeting which took place at the Smithsonian Institution in Washington. The International Monetary Fund gave approval to the realignment of currencies and invited other countries to declare exchange rates for their currencies which would be described as Central Rates. The Fund also permitted variations around such Central Rates within a margin of 2½ per cent. We took the decision at that time to designate the Central Rate of the Indian rupee at Rs. 18.9677 per one pound sterling. I had the privilege of reporting this decision of the Government to Honourable Members on 21 December 1971.

The international monetary situation has remained fluid since then. The expectation of stability after the Smithsonian Agreement has been belied. The pound sterling was floated on 23 June 1972. The continued imbalance among the major industrial countries has led once again to another major change in the alignment of currencies. On 12 February 1973, the US announced its decision to devalue the dollar by 10 per cent.

*Press Information Bureau, Government of India, New Delhi, 21 February 1973.

Following this decision, the Yen has been allowed to float, a new Central Rate has been fixed for the German Deutsche Mark and the pound sterling continues to float.

Government has reviewed the situation arising from these changes. As before, we have sought to determine our action primarily in terms of our own objectives and national interest. The decision of Government which has already been announced is to maintain the Central Rate of Rs. 18,9677 per one pound sterling which was designated in December 1971. The Reserve Bank will continue to avail of the margin of $2\frac{1}{4}$ per cent around this Central Rate.

Following the devaluation of the dollar, the pound sterling has appreciated by approximately $3\frac{1}{4}$ per cent in terms of the new dollar. Since the the rupee-sterling ratio has not been changed, the rupee has also correspondingly appreciated by the same percentage *vis-à-vis* the US dollar. In the wake of the international currency uncertainties, the Reserve Bank has suspended forward purchases of pound sterling and spot and forward purchases of US dollar. These purchases will be resumed as soon as conditions permit.

I should like to clarify that the Indian rupee has not been devalued by 10 per cent along with the US dollar. Since our exchange rate is designated in terms of pound sterling, our values in relation to other currencies are derived from the exchange rate of pound sterling with other currencies. The maintenance of stability in terms of a major currency like the pound sterling, which is used for the purpose of invoicing our trade to a substantial extent, will be of help to our exporters as well as importers.

Government is conscious of the fact that in respect of our export trade, which is invoiced in US dollars—and this sector is also quite significant—our exporters would be realising marginally less in terms of rupees than before. At the same time, because of the appreciation of the Deutsche Mark and the Yen *vis-à-vis* the Indian rupee, our exporters should gain a competitive edge over the products of these countries in third markets. Government will keep under close review the effects of international currency movements on our trade and will take such action as is necessary to ensure that the basic objective of securing self-reliance is not impaired.

The course of action we have taken is, in the Government's judgement, in the best interest of the country. It maintains continuity with the past without any detrimental effect on our trade. The rupee-sterling rate remains unchanged and the extent of the fluctuation in the exchange value of the rupee *vis-à-vis* other currencies is not large. And on average, its effects on exports, imports, budgetary receipts as well as debt service payments are likely to be of a marginal nature.

The question of international monetary reform is now being discussed in the Ministerial Committee of the Twenty, of which India is a member. It is our endeavour in this and other forums to secure arrangements which would reflect fully the needs of the developing countries for adequate

liquidity, stability of trade and exchange rates, and orderly growth of world trade. It is also our endeavour to ensure that developing countries are enabled to participate to the full.

8. Prime Minister Indira Gandhi's Reply to the Debate on the President's Address, Lok Sabha, New Delhi, 27 February 1973.*
(Excerpts)

There are many forces in the world which do not want India to succeed. They are disturbed at the mood of self-assertion and the splendid performances of our people in facing the challenge. India can only follow an independent foreign policy, and our successive actions have proved this. Since December 1971 a new theory is being evolved, that of being a dominant power. I have never regarded this as a compliment. In fact, when I first read the phrase, I mentioned it to a newspaper correspondent who was interviewing me that in my view this was a crude attempt to sow suspicion against us amongst our neighbours. I have made the same remark during my visit to Nepal and on various other occasions. So this is not in reply to the speech reported in today's newspapers. We in the Government of India do not believe in power politics. We do not desire the status or the perquisites of what is known as conventional power. Events in Asia have proved that this kind of thinking by anybody that he is or that a big power has dominant or some kind of divine right of a big power to a sphere of influence, just does not apply in the contemporary world. We, of course, have never believed in this. Now it has been proved to the entire world. If India has any strength, its strength is first to be used for the solution of our own national problems and then for the support of the independence and individuality of other countries, especially developing countries.

This is the philosophy which was the basis of our position in Simla. We are sorry that some countries still choose to indulge in anti-India tirades. Any indulgence in dramatics by certain elements will not encourage friendship or understanding. I heard one Honourable Member saying here that it was a matter of shame and sorrow that we kept on talking about friendship with certain countries when those countries did not wish to be friends. Now, it is not a question of who wishes to be friends; it is a question of what we consider to be in our national interest. Other countries cannot be interested in our national interest. They will be interested in what they consider to be their national interest. But we have to pursue whatever steps, whatever policies, serve our interests and which we think are going to ultimately strengthen this nation. The Government of India is not ashamed to do anything to pursue friendship. Saying that we want friendship with a particular nation is not going to weaken us. We have always stood for friend-

* *Foreign Affairs Record*, February 1973, pp. 79-89.

ship with all nations. This does not mean that we beg for friendship. Not at all. We state our point of view when we are asked for it. If we are asked, 'Do you want to be friends?', either we have to say yes or no. We cannot say anything in the middle. Therefore, we do believe in friendship with all nations. But we believe in friendship with honour, friendship with equality and friendship which is to our mutual interest and benefit. It is that sort of friendship for which we are working.

There is some concern in the Press and elsewhere about the prisoners of war. I heard that one Hon. Member was very unhappy over this matter. The question of prisoners of war is not insoluble. Neither Bangladesh nor India has put any obstacles in the way of its solution. But to expect India to free the prisoners of war without the concurrence of Bangladesh is wholly illogical and unrealistic. Also, how can we take seriously the plea of those who raise the humanitarian side of the question when they are so strangely and suspiciously silent over the fate of over 1 lakh Bengali civilians and military personnel who have been dismissed from their jobs, herded into camps? All the so-called world opinion which is agitating today about the prisoners of war has not thought about these poor people. So far as we are concerned, we are not interested in keeping them. It is a burden to us and it does not help our policy in any way. But certain international realities have to be understood and faced. You cannot ignore the existence of Bangladesh or the interest which Bangladesh has in this question.

SHRI SHYAMNANDAN MISHRA: Why not all the three heads meet?

SHRIMATI INDIRA GANDHI: I am only one head of Government, Mishraji.

We are not stopping any meeting, we are not interfering in this matter. Bangladesh is an independent sovereign nation and must be treated as such.

9. Prime Minister Indira Gandhi's Interview to Mr. Kuldip Nayar, Resident Editor, the Statesman, New Delhi.*

(Excerpts)

QUESTION: After the withdrawal of US troops from Vietnam, I wonder whether India has a role to play in South East Asia, economic-wise and security-wise. And could you comment also on the Domino theory of Americans that if they withdraw, every South East Asian country will go Communist?

PRIME MINISTER: I think Americans themselves do not believe in the Domino theory any more. We have never believed in foreign presence anywhere because we feel that this is an invitation to tension because it produces a reaction. Whoever is not there thinks why their presence should not also be felt [*sic*]. We are glad that there is peace at long last

*The Statesman, Delhi, 10 March 1973, pp. 1 and 8.

in Vietnam and in Laos and we hope that it will extend to Cambodia. We also hope that it will be real peace. I think at this moment it is a little difficult to prophesy exactly what the shape of things will be in that region.

So far as India is concerned we would like to cooperate in any way we can and to contribute in any way we can to maintain peace and to build up the economic strength of these nations. This depends on what these countries themselves want. I mean we can only give or do what Vietnam, for instance, would like us to do. I don't think anything should be thrust on them however well-intentioned.

QUESTION: What about their security-defence?

PRIME MINISTER: Well, as I said that once they build themselves up in economic strength, I don't think that they will be threatened in any way. If they have a foreign presence, they always will be threatened.

QUESTION: I was thinking of some kind of an association, some kind of a get-together.

PRIME MINISTER: That is for them to decide, isn't it? What sort of thing they would like. Any get-together that excludes anybody else creates a reaction.

So far as the economic side is concerned, I myself have spoken about it when I went to Australia, which is that I think basically each country must be strengthened in itself and that is the greatest safeguard against any outside (interference). Certainly there must be bilateral cooperation; there must be multilateral cooperation of small groups and large groups.

QUESTION: China is a big country and it has its own policies. Now they really cannot be afraid of us because we; in 25 years, have shown that we are not interested.

PRIME MINISTER: This is not what they say.

QUESTION: But I say that. Our record can show that we are not really interested. I was thinking of what might be called subversion or something like that on the part of China. Would it not be better if we get together against this kind of thing?

PRIME MINISTER: However much they get together how could they prevent subversion if China or any country was determined on it? It is only if they are strong politically and economically that they can deal with such a situation themselves. And if a situation arises, I have no doubt that there are neighbours who share the same interests and so on and they would help one another.

QUESTION: Would you say the same thing about the Indian Ocean? You would not like any Power's presence?

PRIME MINISTER: Yes, very much. We would like it to be free of these presences.

QUESTION: One hears about this navy or that navy.

PRIME MINISTER: Once one navy comes, the other automatically comes. Well, you cannot stop it.

QUESTION: But can we police the Indian Ocean?

PRIME MINISTER: How can we police it? We should be strong enough ourselves to see that none of them can threaten us.

QUESTION: Here may I ask you whether you had retracted from the statement you made on Vietnam at the One Asia Assembly?

PRIME MINISTER: What part of it is a retraction? All that I said I would have said the same day itself, if somebody asked, that these remarks were not meant against any one country.

QUESTION: This brings me to the Middle East situation. Do you think some movement is taking place? We seem to be stuck with this Black September. Israelis have also downed a civilian plane and this has complicated the situation.

PRIME MINISTER: We are indeed stuck. I mean that the whole situation has become a bit static and I don't know what can be done about it.

QUESTION: And do you think that something should be done on the lines of the UN resolution?

PRIME MINISTER: Yes, we support the UN resolution. The UN has tried; everybody has tried. We are not getting anywhere. I condemn all violence especially this sort of thing (Black September). The people who were hurt are not at all concerned in any way.

QUESTION: I think it holds good for Black December also, because Black December is aimed at us.

PRIME MINISTER: I think so.

QUESTION: Would you like to comment why the Arab countries have not recognised Bangladesh?

PRIME MINISTER: Presumably in deference to Pakistan.

QUESTION: But do they realise that public opinion in this country even though friendly towards the Arabs would become hostile to them?

PRIME MINISTER: I don't think we should become hostile. It is unreal not to accept the situation as it has emerged out of war and so on.

QUESTION: An impression has been created especially in the Western countries that after the Indo-USSR friendship treaty we are tilting towards Moscow or that we are already in their clutches and things like that. And then it is said that our Five Year Plans have been dovetailed with Soviet plans. What have you to say?

PRIME MINISTER: There is no dovetailing of the plans.

QUESTION: Somewhere this word was taken probably mistakenly.

PRIME MINISTER: I don't think there is any real misunderstanding. I think it is a very deliberate effort or attempt to create this image of India. I don't think that anybody really thinks so. And certainly this is our information from all countries. First, when you said about Western mind it is not in the Western mind at all. They have assured me that they have no such fears or apprehensions. It is only one country which has tried. But even there if you talk to the intelligentsia or anybody, nobody doubts that. The treaty is like various other treaties we have with

other countries. We have a similar treaty with Bangladesh and so on. It is just a friendship treaty. It does not affect our policy. It has not in the past, it is not affecting it now and it will not affect it in the future. It has not made any difference to our non-alignment or our relationship with any other country.

QUESTION: But so far as Soviet plans and our plans are concerned?

PRIME MINISTER: That is purely an economic matter. There everything comes under the plan. So if they are going to sell us something in bulk or we are going to sell them, they have to fit it into their programme. In the same way, whatever we get from any country is fitted into ours. That does not mean that the plans are dovetailed. And if we get a large amount of even foodstuff—not that we are getting it—as for example from the United States, it has to fit in somewhere that this is coming. Wherever there is a planned economy, it has to be put in 'so much is ours, so much is theirs' and so on. It has nothing to do with dovetailing.

QUESTION: Since you mentioned foodstuffs, suppose America were to offer foodstuffs?

PRIME MINISTER: We do not need it now. We have trouble enough with the milo which we have got from there.

QUESTION: Also there are reports that they might resume economic aid to us. Would you stand by what you had said many times before that you would like aid for a particular project and that too if we needed?

PRIME MINISTER: Naturally.

QUESTION: But not overall aid?

PRIME MINISTER: No. We need help in certain sophisticated items and so on and there is no sense in our getting things which we can make ourselves or we can do ourselves here. That goes with everybody. We do not have a special policy for the USA. It is a general thing. In the beginning, we were not able to do many things ourselves—I mean set up a whole plant or factory. Now we can. So there is no sense in duplicating that effort and wasting resources on that sort of outside thing. It is more expensive to get a thing from outside.

QUESTION: It is being said that relations between India and America are beginning to thaw. Why is there this kind of impression?

PRIME MINISTER: Well, I think that we are trying to make an effort. We have always said that our policy is to cement whatever friendship there is, strengthen it, to create friendship where it does not exist and to blunt hostility where it does exist. I won't put America in the last category. I don't think there is hostility but there has been misunderstanding. That was mostly on Bangladesh. But even apart from Bangladesh, the primary misunderstanding—well, I do not know whether it is misunderstanding—is that they have consistently supported Pakistan. Pakistan has committed aggression and made war on us with equipment and weapons got from the USA. This is the basic thing really.

QUESTION: It is said that America is thinking of resuming arms supply to Pakistan. If not directly, indirectly.

PRIME MINISTER: I hope not.

QUESTION: About our relations with China, very recently, Mr. Swaran Singh had said in Parliament that there was a hope of a friendly conciliation or something like that. . . .

PRIME MINISTER (*Interrupting*): I don't think he has used that word. I am not sure what he said, but we talked generally about the normalisation of relations. And there were some—I don't know what word to use—another big step or a small step or a big change that we were moving towards normalisation when the Bangladesh situation threw us backward in war.

QUESTION: After that there has been no movement.

PRIME MINISTER: Except that, we meet and it is not that they are not on talking terms and so on and for a long time it is not there. It is some talk [*sic*]. How far that will take us I don't know. Some of their attitudes are very unreasonable.

QUESTION: But if ever serious talks start would you say that they must accept the Colombo proposals in toto?

PRIME MINISTER: I don't think there is any purpose served looking ahead exactly what will be this. There was a long way to talking on a subject like that.

QUESTION: Because you were considering to send an Ambassador back. . . .

PRIME MINISTER (*Interrupting*): Well, an Ambassador is someone that keeps you in touch with. That is not at all connected with it. We never broke any relations with Pakistan throughout the war or even with China. And they have reminded us several times that we were the first to withdraw our Ambassador. And therefore we were to send ours first.

QUESTION: Now I come to Pakistan. I shall take up the prisoners of war issue. One, of course, is the impression which the Guardian correspondent had given. What did you exactly tell him?

PRIME MINISTER: What I said was that whatever decision was taken on the POWs has to be in concurrence with Bangladesh. Now, if some people feel that we are rigid or Bangladesh is rigid in that context I feel that no gesture had been made even from Pakistan during all this time. If people think that recognition is the whole thing, at least some step had been shown, some gesture had been made, then it would make the whole situation. It is not for me, I can't say good or not because after some years it might have made the situation. I can't talk on it—it would have eased the situation. The second point is that people are making so much fuss about prisoners of war, but nobody is thinking of the suffering of the Bengalis (in Pakistan). We said four lakhs and he quoted about one-and-a-half lakhs. So I don't know how many they were, but the very fact of it seems rather very strange that so much stress should be laid on the prisoners of war who are well looked after,

whereas the condition of the Bengalis from what we hear is very unsatisfactory and there is no reason to keep them. There are some military people, but I think the bulk are the civilians.

QUESTION: Don't you think that on this POWs issue everywhere in the world we have been condemned and defamed? Now if it is linked with the recognition of Bangladesh. . . .

PRIME MINISTER (Interrupting): That is not in our hands. It is not for us to say, 'You recognise'. We are concerned only on the limited thing that whatever decisions are taken should be taken with the concurrence of Bangladesh and if they make a condition, it is that between them and Pakistan.

QUESTION: Can't we tell them?

PRIME MINISTER: Say what? It is for them to decide what is in their national interest and any country does not like another country advising on such things especially a country which is small and newly free.

QUESTION: I am told that they are very sensitive as far as India is concerned.

PRIME MINISTER: All these other countries who are there, including the other ones, are creating sensitivity by saying India is going to do this and going to overwhelm you. And it is not at all true.

QUESTION: Do you think some movement may take place after the elections?

PRIME MINISTER: Elections are over.

QUESTION: Would you like to say something?

PRIME MINISTER: Naturally, we are very glad.

QUESTION: Probably they would be able to do things more effectively.

PRIME MINISTER: I think they can do things effectively.

QUESTION: But why some elements are still propagating against us in Bangladesh when we have tried our best?

PRIME MINISTER: Naturally that is something you can answer by going to Bangladesh.

QUESTION: I remember when I was in Pakistan, Mr. Bhutto referred indirectly only to Kashmir. He would not mention it very much but still that was at the back of his mind. He said, 'It is not for me or for Mrs. Gandhi. Let posterity decide.'

PRIME MINISTER: Posterity decide about what?

QUESTION: About Kashmir. And only two days ago he said that there should be a plebiscite or something like that. To me he had said that there could be a soft border between that part of Kashmir which they occupy and our part. Would you like to comment on his statement about plebiscite first?

PRIME MINISTER: We have expressed ourselves on numerous occasions and I do not think there is anything new to be said on this subject.

QUESTION: That is, after all elections have been held again and again in the State and the people have expressed their desire. So this matter is closed for ever.

PRIME MINISTER: It is no use making a statement like that. I mean the State is making progress. It is trying to solve its basic problems and so on. I don't know how it helps to rake up this matter every now and then.

QUESTION: What about the proposal of a soft border?

PRIME MINISTER: Now you see all these things can come in, depending on the relationship between India and Pakistan. If there is hostility, how can you have a soft border between any part of India and Pakistan? If there is friendship, well all the borders can be soft, why only Kashmir.

QUESTION: But after the Simla Agreement, they blame us that we have not made any movement.

PRIME MINISTER: All the movements are ours. What movement have they made? Every initiative was ours. And even afterwards, when things got stuck up, I wrote to President Bhutto saying, could we have other agreements? Just as we have got about withdrawal and delineation of the border, we could have overflights. And various other things I mentioned. He said 'No, no, nothing can be done till the prisoners of war....' Earlier on, their stance was that there could be no talks till Kashmir was settled. If you take very rigid stands like that, then it is very difficult. But the major thing which he seems to have either gone back on or forgotten is what I told him when he was here, which I told you when you met me last—that we have to decide whether we consider the interests of India and Pakistan to be contradictory or complementary. Only if we believe that they are complementary can we really work towards friendship, cooperation and peace. If we think they are contradictory, then you can make some patch-work but it is not going to last. I believe that not only of India and Pakistan but all the subcontinent; our interests are bound together—economic and other interests—and if we work in cooperation, all of us are that much stronger. And therefore we can withstand other pressures, other difficulties and we can give a better deal to our people. Our attention is not diverted to fighting amongst ourselves.

QUESTION: And what about a common market and things like that?

PRIME MINISTER: Well, I think we can think of what is in our interests. Whatever we do will have to be in the mutual interest of all countries and on a basis of sovereignty and equality. We don't want any country to be influenced by another.

QUESTION: Have you made any proposal of officials meeting? He always says some meeting and all that.

PRIME MINISTER: I think Sardar Saheb has said so. It is long time ago. I don't know who said about it, but I think he did say something although I didn't say. When I say these things should be discussed, some of them were discussed. But the point is that if we meet at the summit and nothing is done, then there is nothing to fall back upon.

QUESTION: Were you to find some indication or gesture would you consider sending an emissary?

PRIME MINISTER: It depends on what we decide an emissary should do. I

don't think you can just decide on sending a person. In their constitution they had mentioned Bangladesh in another way. It is quite diametrically opposed to what President Bhutto had said in Simla. This does not recognise the realities of the changed situation.

QUESTION: Could it be that he might be having some internal difficulties?

PRIME MINISTER: He has lots of internal difficulties. So have I. You have to decide what is in the larger interests and work for it. And in Simla he had himself remarked that had he recognised Bangladesh earlier, it would have been easier. And now the sooner he does it, the easier it is. Each day he delays, it would be more difficult and this is what is happening. The longer we delay other people have a chance of putting a spoke in the wheel.

10. Finance Minister Y.B. Chavan's Statement on the International Monetary Situation, Lok Sabha, New Delhi, 6 April 1973.*

(Full Text)

Recently, a meeting of the Committee of the Board of Governors of the International Monetary Fund on Reform of the International Monetary System and Related Issues was held in Washington on March 26 and 27 1973.

As the Hon'ble Members are aware, the international monetary system has been faced with serious difficulties in recent years. The persistence of uncertainty that has prevailed in the exchange markets since the middle of 1971 can seriously effect the smooth flow of world trade and payments.

There is now a general agreement that the unsettled state of foreign exchange markets is basically a reflection of the malfunctioning of the adjustment process under the present international monetary system. Over the years, the USA has had a persistent deficit in her balance of payments, the counterpart of which are large surpluses in the balance of payments of countries like Japan and the Federal Republic of Germany.

The continued weakness of the US balance of payments has not only given rise to massive speculation against the dollar but has also called into question its role as a reserve currency. Until five or six years ago, the fact that the dollar was convertible into gold at a fixed price provided a strong inducement for countries to hold their foreign reserves in the form of dollars. However, as the dollar holdings of central banks swelled in the wake of persistent deficits in the US balance of payments, many countries began to entertain doubts about the continued convertibility of the dollar into gold. To forestall any attempt on the part of central banks of other countries to convert their dollars into gold, the US Government suspended in August 1971 the convertibility of the dollar into gold. This gave added

**Foreign Affairs Record*, April 1973, pp. 193-96.

urgency to the task of devising a new monetary system which would provide for an orderly growth of world liquidity in accordance with the requirements of an expanding world economy. The fact that the US dollar or the pound sterling could not perform this role was recognised when the International Monetary Fund decided in 1968 to create a new reserve asset in the form of Special Drawing Rights as a supplement to other than existing reserve assets. However, the events of 1971 led to the conclusion that it was necessary to move forward speedily towards a system in which a neutral reserve asset like the Special Drawing Rights would become the principle reserve asset of the system.

Although the need for international monetary reform has been recognised for many years, until very recently the major developed countries of the West tended to discuss these matters in an exclusive forum such as the Group of Ten. Since the stake of developing countries in a smooth functioning of the world monetary system is in no way less than that of developed countries, we repeatedly stated that it was entirely unacceptable to us that vital decisions about the future of the world monetary system should continue to be taken by a limited group of countries. It is largely as a result of strong protests by the developing countries that the International Monetary Fund set up in September 1972 the Committee of 20 to advise the Board of Governors on international monetary reform. The members of this Committee are the Finance Ministers of various countries.

The first meeting of the Committee of 20 was held in September 1972 at the time of the annual meeting of the Board of Governors. At that meeting, the Committee set up a group of Deputies, consisting of senior monetary officials of various countries, to examine technical issues and make recommendations on reform to the Committee. The Deputies have held so far four meetings and they are due to meet again in May 1973.

The second meeting of the Committee of 20 was held in Washington on March 26-27 1973. The principal item of the agenda was to approve the work programme drawn up by the Deputies. At this meeting, the Committee considered a report submitted by Mr. Jeremy Morse, Chairman of Deputies, on the work of Deputies to date. The Deputies have completed a preliminary review of outstanding issues relating to the improvement of the adjustment process and of reserve assets and convertibility in a reformed monetary system. Mr. Morse's report, which is not a public document, revealed that the Deputies had made substantial progress in their work. However, it became obvious that further progress in the preparation of the outline of reform before the next annual meeting of the Board of Governors would greatly depend on the ability of the Committee of 20 to lay down certain broad guidelines about the direction of reform. Without such guidelines, the Deputies' work was likely to suffer from a lack of proper focus as well as perspective.

Accordingly, both in our formal intervention in the debate as well as in the course of informal exchanges of views with several members of the Committee,

the need for the Committee to lay down certain basic principles of the reformed system so as to enable the Deputies to accelerate the speed of their work was stressed. These views were shared by other members of the Committee coming from developing countries. Our task was not easy particularly since the Committee was meeting soon after the February-March 1973 exchange crisis which led to a collapse of the par value system for the second time in a period of less than two years. A number of developed countries initially took the view that it was too early to see clearly the outline of the reformed system. However, after some debate, the Committee agreed on a set of basic principles which constitute a definite step forward. Certainly, these principles and guidelines will help to accelerate the work of Deputies. Clearly, as of now one cannot assert with absolute confidence that the outline of reform will definitely be ready before the annual meeting of the Board of Governors. There are still differences of opinion on many vital details of the reformed system. However, the chances of the outline of reform being ready by September 1973 appear brighter now than in the past one or two months.

Before the major conclusions of the meeting of the Committee of 20 are described, the House may like to know the set of objectives we had in mind for this meeting. First of all, we were very keen that the International Monetary Fund rather than the Group of 10 or the new Group of 14 should be the primary forum for discussion of international monetary issues. Secondly, like other developing countries we strongly feel that a stable though adjustable par value system provides a framework which is most conducive to the expansion of world trade. Developing countries do not have the institutional arrangements to cope with prolonged uncertainties in the exchange markets. Thirdly, we were eager that the Special Drawing Rights rather than gold or national currencies should become the principal reserve asset in the reformed monetary system. Fourthly, we are in favour of control of speculative capital movements so as to ensure that exchange rates are not always at the mercy of speculators. Fifth, during the last few years we have argued consistently in favour of using new international liquidity to provide additional resources for economic development of developing countries. It is our view that while the volume of new international liquidity should be determined solely on the basis of monetary needs of the world economy, it is both feasible and desirable to use the liquidity so created to provide additional real resources to developing countries. This proposal known as the link proposal has gained widespread intellectual acceptance in recent years, even though there is still resistance to it from governments of a number of developed countries.

The results of the deliberations of the Committee are reflected in the Communiqué issued at the end of the meetings. A copy of this communiqué is also laid on the Table of the House. Clearly we have still to resolve a large number of unsettled issues before an agreement can be reached on the outline of reform. Nevertheless, this meeting has helped to provide the needed impetus to the work of Deputies.

It is a matter of satisfaction to us that the Committee has affirmed that the exchange rate regime in the reformed system should continue to be based on stable but adjustable par values. However, there is a strong sentiment in favour of greater exchange rate flexibility than in the past and even though the par value system is likely to be retained, developing countries will have to learn to live with the consequences of more frequent changes in exchange rates in the future.

The Committee of 20 has also agreed that the role of reserve currencies should be reduced and the Special Drawing Rights should become the principal reserve asset of the reformed system. This is in line with our own thinking on this subject.

The Committee has also agreed that an intensive study should be made of effective means to deal with the problem of disequilibrating capital flows.

Finally, on the important subject of the link, we have not been able to persuade the Committee to endorse it in principle and to leave its mechanics to be worked out later on. Some developed countries have strong reservations in this matter. However, the Committee has affirmed the desirability on the occasion of reform to promote economic development and the flow of real resources from developed to developing countries. Although this cannot be constituted an endorsement of the link, the language of the Communiqué reflects some positive advance.

In our view, the link is a practical means of securing the objective endorsed by the Committee. It would be wrong to suggest that the link proposal will not face any serious hurdles. However, if developing countries remain united, there is a good chance that the link would constitute an important element of the reformed system.

Prior to the meeting of the Committee of 20, the Ministerial meeting of the Group of 24 developing countries was held on 24th March 1973. This group came into being last year to enable developing countries to exchange views and to work out a common position on matters relating to international monetary reform. On our suggestion, the Group of 24 has set up a working party to work out a common position on the link proposal acceptable to all developing countries for presenting it to the Committee of 20. We attach great importance to the work of the Group of 24 for it is only if developing countries are united that their voice is likely to be felt in the forums of the Committee of 20. On our part, we shall make every possible effort to sustain the unity of developing countries in our common quest for a new monetary system which will be more responsive to the needs of developing countries.

**11. Minister of State for External Affairs Surendra Pal Singh's
Reply to the Debate on Budget Demands, Lok Sabha, New
Delhi, 23 April 1973.***

(Full Text)

Mr. Chairman, Sir, already a very wide spectrum of topics has been covered by the Hon. Members and many points have been raised by them both in appreciation of our foreign policy and the working of the Ministry as well as in criticism of our policy and the working of the Ministry. On behalf of the Ministry I wish to thank all those Members who have said kind things about us, kind things about our policy, and also those Hon. Members who have made very valuable and constructive suggestions for the better working of the same. We are passing through a period when very significant changes are taking place on the international scene. Hon. Members have already referred to those changes. The configuration of world forces is changing; the bipolar world has already changed into a multipolar world; the days of balance of power and political domination, in spite of what Mr. Anthony has said, are also coming to an end, and the very basis of relationship between countries is changing from basis of domination and leadership to a basis of friendship and equality. These trends and developments are not only very welcome, but I would say they are a clear vindication of the policy which India has been pursuing since our Independence. Our policy is based on the fundamental principles of Panch Sheel and it has been clearly vindicated by the present developments. India has never sought leadership or domination of any country. In fact, the very word domination is repugnant to us and we expect and hope that no other country in the world behaves in that approach. We want to have friendly relations with all countries in the world based on equality and friendship. Our policy of non-alignment enables us to do this. It enables us to follow a path which enables us to achieve stability and peace in the world. Stability and peace in the world are something for which non-aligned countries and developing countries of the world are hungry and they want it badly so that they can be left alone in order to develop their own economic strength and to develop industrially. A great deal of criticism of our policy of non-alignment has of late died down.

Many erstwhile critics of this policy have now veered round to the view that, despite the changes in the world, despite changes in circumstances, this policy has still some relevance and validity. But there are still some critics in our country. In one group of such critics, we have people like Shri Atal Bihari Vajpayee and Shri G. Viswanathan who maintain that whereas the policy of non-alignment is really valid and is a good policy, however, India is not adhering to it properly. They accept this policy, but their main criticism is that we are deviating from it and we are not adhering to it

**Foreign Affairs Record*, April 1973, pp. 163-62.

sincerely. To them, all that I can say is that their entire contention is wrong, and I would like to ask them if they can give one example anywhere or on any occasion on which India has taken a policy decisions which is against our national interest or we have taken a decision under the influence of a foreign power. We are absolutely independent in taking decisions and in our judgement we are adhering to the principles of non-alignment very strictly.

There is still another group of critics who maintain and ask questions as to why India is still sticking to the policy of non-alignment when the very circumstances under which this policy was enunciated have changed, when the big powers are giving up the policy of confrontation and tension and are trying to come closer to each other and are striving to reach detente and understanding amongst themselves. In these circumstances they maintain that this policy of non-alignment has no relevance. To these critics, all that I can say is that they base their arguments on this presumption that non-alignment is something which owes its origin or *raison d'être* to the division of the world into two power blocs of the forties and fifties. They are basing their contention entirely on wrong premises. It is true that the division of the world into two power blocs was responsible to a certain extent in bringing about this policy of non-alignment because, at that time, developing countries and the economically backward countries were most reluctant to be drawn into the vortex of big power rivalry and they wanted to be left alone and follow a policy of their own. But the real essence of non-alignment lies in the urge and aspirations of the developing countries to follow their own policies, their own political and economic and social policies according to their own genius and according to their own requirements. That is the real essence. It is not a question of the world being divided into so many blocs and that is why we have got to do it. In the present context or nowadays, even the smallest country in the world will not tolerate any kind of domination from a big power. We have the glaring example before us of Vietnam. Nobody could keep Vietnam down. Even the biggest power in the world tried its very best to subdue Vietnam but their will and their aspirations and their strong desire to be independent overcame all these difficulties, and they refused to cow down before this big power.

This feeling of nationalism in its broader sense and not in its connotation of chauvinism is something which is gaining strength. It will be very difficult for any big power to suppress this urge and these aspirations of the smaller powers and the backward powers. No power on earth can suppress this national urge or will of the Third World.

The House is aware and Hon. Members know that the classical colonialism and imperialism of the old days is now giving place to a neo-colonialism and imperialism of economic domination. It is not very obvious but it is a fact that it is more dangerous than the classical type of colonialism and imperialism. It is also a fact that this understanding

and detente between the big powers can also lead to the carving out of the world into spheres of influence which would not be in the interests of smaller powers or non-aligned countries. The non-aligned group of countries is aware of these trends and these developments, and they will see to it, I am sure, that they do not succumb to this kind of pressure or this kind of strategy which is now being evolved by the so-called big powers.

We also fully realise that so long as there are conflicting pulls and pressures of bigger countries on smaller countries, the need for non-alignment will remain and it is in our interest to strengthen this movement so that the bigger powers are not able to weaken it or to erode it by their subtle machinations.

The Third Summit Conference of non-aligned countries which took place at Lusaka in 1970 was an event of far-reaching significance. For the first time in a conference of non-aligned countries, the idea of economic and technical collaboration amongst the developing countries and the non-aligned countries was mooted there.

It was done in order to safeguard and to see that the smaller countries did not come under the domination of big powers. It is true that political domination is coming to an end, but economic domination can be equally bad. The whole idea was mooted so that the smaller countries may not come under the influence and domination of bigger powers and they may be encouraged to bring about economic cooperation among themselves and to try and become self-reliant through mutual cooperation.

We are looking forward to the next meeting of non-aligned countries which will take place in Algiers. I am sure that attention will again be focussed on the theme of economic cooperation among the non-aligned countries and the deliberations of this conference will throw some light on some concrete and important steps which might be taken by the developing countries in order to achieve this very laudable objective.

If you are to prevent any kind of conflict between the haves and have-nots, if you want to avoid any tension and confrontation between these countries which can be called 'haves' and those countries which may be termed 'have-nots', we have to have this cooperation and help each other to achieve development. That alone will achieve the objective and nothing else.

ECONOMIC COOPERATION

Since the emphasis these days is on economic cooperation, I should like to say that we have attached great importance to it and have taken certain steps in order to give more economic content to our policy, and we are giving more importance to the economic aspect of our foreign policy. It is our firm belief that international stability and well-being of humanity can best be achieved through an effective system of international economic co-operation and by establishing economic and commercial contacts and by

promoting collaboration in industrial and technical ventures with our immediate neighbours as well as with all the developing countries in the world. I am happy to say that as a result of the various steps the Ministry has taken in that direction, a number of initiatives we have taken in that direction, there is now visible a growing awareness among the countries of Asia and Africa about the competence and ability of this country to be a provider of technical knowhow and expertise, training opportunities to people from these countries and consultancy service, preparation of survey and feasibility reports, etc. We have also taken keen interest in the activities of such multi-lateral organisations as the Colombo Plan, ECAFE and SCAAP (Special Commonwealth African Assistance Plan). Through our participation in the activities of these organisations and through our bilateral contacts with a large number of countries, we have given a real meaning to our friendship with these countries, specially through economic collaboration with our neighbouring countries like Sri Lanka, Mauritius, Afghanistan and Bhutan, to name just a few of them. Some idea of the magnitude of our assistance to the developing countries, friendly countries, can be had from the fact that under our ITEC programme alone, Rs. 80 lakhs* to Rs. 1 crore** are being spent by us every year in order to promote various schemes under this programme. This, however, does not include direct economic assistance to a large number of friendly countries which is quite substantial. For instance, under the Colombo Plan alone, up to the end of 1971-72, we have given assistance to the tune of Rs. 85.83 crores; under the SCAAP, this assistance is of the order of Rs. 82 lakhs up to 1971-72. India has also advanced loans to a large number of countries to enable them to purchase Indian goods as well as Indian services. The amount outstanding as loans to various countries at the end of 1971-72 is of the order of Rs. 65.63 crores.

We have also sent a large number of experts to developing countries in order to assist them in their developmental programmes. About 150 people are working abroad and they have done an extremely good job. Wherever they have gone, they have earned a good reputation for themselves and laurels for our country also.

From this, it will be seen that in spite of our difficulties at home, despite our own limitations, we have done everything possible to share our experience, our resources, with a large number of countries, and we have done everything possible to help them in their very difficult task of economic and industrial development. I must say that this approach to our foreign policy has already paid some very handsome dividends inasmuch as it has greatly increased the goodwill, friendship and trade between ourselves and a large number of countries in Africa and Asia.

Our greatest activity in the field of economic cooperation is in the continent of Africa. We are more than willing to share our experience with

*1 lakh=one hundred thousand.

**1 crore=10 million.

them, and to render all possible assistance to them in their own efforts to develop their countries as fast as possible. The House knows fully well that we have many common things between ourselves and the countries in Africa. They have passed through an era of colonial domination and exploitation and so have we. So, we know what their difficulties are; and I think they can gain a great deal from our experience which we are very willing to share with them. We have very patiently and assiduously established contacts with a large number of countries in Africa at the industrial and commercial level and we are ever anxious to proceed further to generate greater mutual economic activity with the countries of Africa.

In this connection, I would like to mention that a large number of joint ventures have been settled by Indian entrepreneurs in several countries of Africa in such wide-ranging industrial fields as textiles, sugar, chemicals, pharmaceuticals and forest-based industries. We have also provided assistance through grant of scholarships to African students by providing training facilities in India to their technical hands and by making available to them our technicians, experts, teachers and doctors.

AFRICA

Now, a few words about the struggle of our African brethren against imperialism, racialism and colonialism to which a reference was made by Mr. Stephen. So far, we have on every conceivable occasion always spoken in support of their struggle in Africa. We have supported them morally as well as materially and I will go so far as to say that it is really a shame that, in the stage of human understanding and human advancement, when man has achieved the feat of reaching the moon, there should be some countries which still are living in the 16th and 17th centuries and following the obnoxious and outdated policies of that age also, policies of brutal suppression and racial discrimination and to keep people in perpetual bondage against their wishes. We have always condemned such policies and we will continue to condemn them; we condemn the regimes which follow such policies.

It is our resolve that we should stand fast by our African brethren and give them all possible help, material support, in their own fight against injustice, tyranny and brutal suppression of human rights.

A word about the African Organisation of Unity, the OAU. We are very happy to note that the OAU, despite the challenges it is faced with, has been able to maintain its integrity and unity and it is playing a very useful and effective role of harmonising and reconciling the different viewpoints and aspirations of a large number of people in the continent of Africa.

In the political field, our relations with the countries of Africa are also very close. There have been a number of exchanges of visits of dignitaries both from India to Africa and from Africa to India. Our President last year paid a visit to Ethiopia, Tanzania and Zambia, and our Foreign

Minister went to the West African countries. From the African side, President Mobutu paid a visit to our country as well as the First Vice-President of Tanzania who came here a short while ago. As a result of these exchanges, a number of mutually advantageous agreements and understanding have been reached to give a new dimension to our traditional ties with the countries of Africa.

Now, something happened last year about which we are all very sorry and that is the development in Uganda. The House is fully aware of the unhappy and unfortunate development which took place last year in Uganda. We are also sorry about the shocking events. As Hon. Members know, thousands of people were made to leave that country under conditions of humiliation, under tension, and for no fault of their own. We took up their cause with the local government, but unfortunately we were unsuccessful in our efforts to make things easy for them, but we made all possible arrangements to evacuate our own nationals from Uganda, to provide them with all the facilities and concessions and to give them all possible assistance in settling down in this country.

The question of the assets left behind in that country is still not being resolved. We have informed the House on earlier occasions that we have taken up this matter on a number of occasions. So far we have not succeeded, and we have always been told that it was not their intention to confiscate property without compensation. They have not yet been able to evolve any formula or to carry out the evaluation of this property. They did not refuse to pay compensation but at the same time they have not been able to spell out any concrete policy in this regard. As late as a few days back, our High Commissioner met their Head of State, President Amin, and raised this question with him. President Amin gave a sympathetic hearing and he promised that he would look into this matter and expedite the question of evaluation and payment of compensation.

The general question of the people of Indian origin in Africa had been agitating the minds of the Hon. Members in this House for quite some time in the past. In this connection I should like to say that practically all the independent African countries have now resorted to a policy of Africanisation or nationalisation of their commerce, industry and means of production. This is a policy with which we cannot have any quarrel because we ourselves have gone through that phase and we have tried to take over control of our economy and means of production. When African countries adopt this policy, it is true that non-nationals in those countries do suffer. But it is inevitable. Our only effort is to see that when they carry out this policy it should be done in a manner which would not hurt the interests of these people unduly and they should be given time to wind up their business properly and leave the country in an orderly phased manner. We have been trying our best to bring about this kind of understanding between the countries concerned and the people of Indian origin there. We are happy to note that a large number of African leaders have made public statements

that the policy of Africanisation would be implemented gradually and in an orderly manner. The Hon. Members know that recently there were some developments in Zambia which caused a great deal of hardship to that friendly country. Their life line, their main outlet to the outside world, passed through Rhodesia and it was closed by the Ian Smith regime, as a result of which the people of that country suffered a great deal economically and otherwise. This matter was taken up by the Security Council and a resolution was passed to give all possible help to Zambia to develop one or two alternative routes. We fully supported that resolution. Zambia is now in the front line of the battle, fighting for the cause of human dignity and equality. Not only India but all countries of the world should give their moral and material support to Zambia in this fight.

INDIAN OCEAN

It will not be out of place here if I say something about the vast expanse of water which lies between the continent of Africa and the continent of Asia, that is, the Indian Ocean, to which some reference was made by Hon. Members. A great deal of anxiety had been shown by a large number of countries particularly littoral countries in this area. Our policy has been enunciated on a number of occasions. We are for keeping this area as an area of peace and free from big power rivalries. There is no justification for the presence of big powers in this area. We feel that left to themselves the countries of the region will be able to find a *modus vivendi* for the problem. This matter was taken up in the Lusaka conference of non-aligned countries and a resolution was passed in 1970 which was followed up by the General Assembly resolutions of 1971 which declare the Indian Ocean as an area of peace.

Now, Sir, we agree that each nation has got a right to move in international water. But there is a distinction between moving in and in their declaring it as a swimming pool. These waters should be free for mercantile navigation. But their permanent presence in it is not called for. We can only appeal to the big powers that they can certainly use these waters for their bona fide needs or their legitimate needs.

SHRI PILOO MODI: But what about Soviet Russia?

SHRI SURENDRA PAL SINGH: We have not given them any facility. Whatever facility is available to others, we have given the same to the Soviet Union. There is no other facility given to anyone. I agree that these are considered to be difficult questions. And they cannot be satisfactorily solved unless there is a series of dialogue and discussion among the big powers. Whatever you may like to have in this connection unless the big powers are seized of the matter and they discuss it, it is not possible to achieve anything. We are in touch with the likeminded countries and we are taking all possible steps to bring about a favourable situation and to mobilise world opinion in this field. The bigger powers would also have

to listen to the viewpoints of smaller countries.

COMMONWEALTH

Now, the Hon. Member, Shri Mishraji mentioned about the Commonwealth question. This has been raised on a number of occasions before. It is true that ever since UK chose to join the ECM our commercial interests have suffered a great deal. Despite all that I may say and this is our considered view that great advantages can even now be achieved by our association with the Commonwealth of Nations. I can assure the Hon. Members that if we find that this organisation is useless, then we will have to think of leaving this organisation. Till such time, there is no reason for us to leave this organisation. We feel that at present there is need for a great deal of cooperation between us and the other countries. You know, we exchange our ideas in the matter of education, in technical and so many other fields. And we feel that it is a useful organisation and it is not the time for us to leave this organisation. But, as soon as we feel that it is time for us to leave, we shall leave that. So long as it serves our national purpose we should not leave it.

F I J I

In the end, I would like to say a few words about the people of Indian origin in Fiji. I wish to say something about this because this question was raised in the House on a day on which it could not be taken up and no reply could be given on behalf of Government. So, with your permission, I would say a few words about Fiji also. Some apprehension was shown by a large number of Members of this House and also by the people outside the country that things are not well in Fiji and that something has to be done. They said that something has happened against the interests of those Indians who are living in Fiji. And these apprehensions were based on a remark which was made by the organising secretary of the National Federation Party of Fiji. It is reported that the Indians in Fiji have been receiving veiled threats from the indigenous Fijians that they would get the same treatment at their hands as the Indians got at the hands of Ugandans. We took up this matter with our High Commissioner. We asked him to find out if there was any change in the policy of the Fiji Government towards the Indian community. But, we have been informed by our High Commission that there is no basis at all for any such apprehension in this regard. There is no change in the policy of the Government towards the Indians. All Fijian leaders, particularly, the Prime Minister, are dedicated to the task of achieving complete racial harmony and integration. All Fijians, irrespective of race, colour and religion, have equal rights under their Constitution. So, it would be quite irrational and illogical to compare the Uganda developments with the situation in Fiji. There is an obvious difference.

In Uganda, the people of Indian origin or a majority of them were foreign nations [*sic*], who had not acquired the Ugandan nationality whereas the Indians in Fiji have acquired the Fijian nationality and so they have got equal rights. There is no tension there and everything is going on very well.

In this connection, I may say that the Fijian Prime Minister and other leaders openly deplored these happenings in Uganda and offered to take some of the expellees from Uganda into Fiji. They would never have made such an offer if they harboured any anti-India feelings. Whatever apprehension has been there in this regard is not based on facts. We have never received any complaints.

With these few words, I would like to end my intervention. Thank you very much.

12. Foreign Minister Swaran Singh's Reply to the Debate on Budget Demands, Lok Sabha, New Delhi, 24 April 1973.*
(*Full Text*)

Mr. Deputy Speaker, Sir, this has been a comprehensive debate in which senior and important leaders of Opposition parties have participated, and there have been speeches from the Congress benches also, and if I may say so, on the whole, the debate has been very useful, and I have greatly benefited by the views that have been expressed by Hon. Members. My task has been greatly lightened by the intervention of my colleague, Shri Surendra Pal Singh, Minister of State, who has touched upon certain aspects about which questions had been raised by Hon. Members from this side as well as from the Opposition benches and has replied to them.

There have been several outstanding speeches from the Congress benches. Many of the points raised by Opposition leaders and Opposition members have been replied to by the members of the Congress party this side.

The speeches could be broadly divided into two or three categories. The principal party or group in Opposition, the CPI (Marxist) put across their viewpoint through Shri Saroj Mukherjee. This was effectively replied to by my young colleague, Shri Goswami. Then Prof. Hiren Mukherjee spoke. I will touch upon certain points that he raised. But after that our senior Member, Dr. Henry Austin, gave a very befitting reply. Then Shri Viswanathan, the young, knowledgeable and fluent speaker from the DMK, who was very liberal in the use of his adjectives, spoke. I must say that he had made a good use of the dictionary because every bad adjective that he could think of was used against the policy. But with all the effort I could muster to understand him, I was unable to follow the content of the adjectives he used because in most of the operative parts his opinion was in

**Foreign Affairs Record*, April 1973, pp 169-80.

favour of the decision taken by Government. For instance, he was in full support of the joint India-Bangladesh declaration on the question of the prisoners of war and the repatriation of Bengalis and Pakistanis. I will touch upon certain points that he raised, but our friend Shri Sant Bux Singh, replied to almost all the points that were raised by Shri Viswanathan.

Then the Jan Sangh leader, Shri Atal Bihari Vajpayee, raised some points. I will mention them, though some of them have already been replied to. There have been very effective speeches on our side by Shri Stephen, Shrimati Maya Ray, Shri Vasant Sathe; today Shri Hari Kishore Singh also made a very fine speech. Shri B.R. Bhagat has replied to many of the points raised by Shri Vajpayee and also by Shri Piloo Mody, particularly when Shri Piloo Mody tried to criticise the Indo-Soviet Treaty of Peace, Friendship and Cooperation and also the general relationship we have with the USSR, very friendly relations, very purposeful relations.

BANGLADESH

First of all, I would like to say a few words about our relations with our neighbours. The most important country that naturally comes to one's mind in this matter is Bangladesh. Our relations of closest friendship and understanding with the people and the Government of Bangladesh continue to be consolidated and strengthened. Our friendship is based not only on sentiments of common history and culture but also on a common dedication to share ideals of democracy, socialism and secularism. It is a remarkable feat that Bangladesh should have adopted a Constitution and held its first General Elections in peace and freedom within 15 months of its liberation. Sheikh Mujibur Rahman and the Awami League have been returned to power in Bangladesh with a massive majority. This represents an unmistakeable tribute to Sheikh Mujibur Rahman and the place he occupies in the hearts of his people. It is also an indication of the faith of the people and the leaders of Bangladesh in the ideals which are enshrined in the Bangladesh Constitution. I am sure the House will join me in wishing the Government and the people of Bangladesh every success in the tasks that they have set for themselves.

The political achievements of Bangladesh have been matched by the economic rehabilitation of the country. There has been a marked recovery in the production of tea, jute, steel, fertilizers and cement. All this is especially praiseworthy for a country which so recently went through so harrowing a struggle and devastation. The overall picture of Bangladesh today is of a stable and confident country well set on the path to further progress. We share Bangladesh's pride in its achievements.

The House is aware of the economic cooperation we have undertaken with Bangladesh which is the biggest endeavour of its kind that we have taken up with any country. Our cooperation with Bangladesh spreads into

many spheres of activity and we shall continue to develop this cooperation in the years to come.

The ground has been well laid, and institutions firmly established, for further cooperation in such fundamental fields as flood control, river waters and power development. We anticipate that the year ahead will see further economic collaboration on the basis of equality and mutual benefit.

Direct cooperation between India and Bangladesh is paralleled in the field of international relations by closest consultation and coordinated efforts. One effect of that was the joint Indo-Bangladesh declaration on the prisoners of war and the repatriation of Bengalis and Pakistanis.

We welcome the fact that Afghanistan, and most recently Lebanon, have accorded recognition to Bangladesh. We shall actively support Bangladesh's admission to the non-aligned conference and to the United Nations Organisation, the large majority of whose members have already recognised the State of Bangladesh. We are also happy to note that Bangladesh has been admitted as a member of the ECAFE and attended the annual conference in Tokyo which concluded only the other day.

BURMA

Our relations with our other close neighbours also are excellent. As the House is no doubt aware, I paid a short visit to Burma earlier this month, and I had long discussion with their Foreign and other Ministers. I had also the honour of meeting U Ne Win, the Chairman of the Revolutionary Council, and the Prime Minister of the Union of Burma.

Our exchange of views took place in an extremely friendly atmosphere of complete understanding. We have no problems between our two countries; in our discussions we found several fields in which there are good prospects of economic, cultural and technical collaboration. We intend at high level to explore these further in the course of the year and we hope to arrive at concrete projects for cooperation. We share very similar views on the major problems affecting peace in our area—on non-alignment, the tranquility of the Indian Ocean void of rivalry and tension—and both our countries are anxious for good and healthy relations with all our neighbours. I found full understanding in Burma of the steps we are taking for normalising the situation in the Indian subcontinent.

SRI LANKA

Several Hon. Members from the Opposition benches and also from this side made reference to our relations with our close neighbour, Sri Lanka.

Our Prime Minister will be going to Sri Lanka in a few days' time at the invitation of Sri Lanka Prime Minister. Such high level exchanges reflect our common thinking on many issues of world importance and our close bilateral cooperation.

I should like here to pay homage to the memory of one of the great sons of Sri Lanka, Dudley Senanayake, who died last week and whose contribution to Sri Lanka and to Indo-Sri Lanka friendship is well known.

We have a sizeable economic exchange with Sri Lanka. During the past year there was a meeting of the Indo-Sri Lanka Joint Commission which has revealed further scope for industrial and technical collaboration which we hope to develop. On the international field, we have an identity of views on many problems of peace and security in our part of the world in which Sri Lanka's distinguished Prime Minister has played a leading role.

The House is no doubt aware that it was at the initiative of Sri Lanka that the question of keeping Indian Ocean as an area free from big power rivalry and as a zone of peace was taken up in the United Nations and also in the non-aligned Conference. We continue to lend our strong support to this initiative taken by Sri Lanka.

AFGHANISTAN

Afghanistan is also our near neighbour. I am happy to say that our traditional friendship with Afghanistan based on mutual interests, identity of political views and strong economic ties, continues to be further strengthened. We have developed a sizeable economic exchange; our trade has risen in the past year by several crores* of rupees and I am confident that in the future our cooperation will grow even more rapidly in all spheres.

BHUTAN

Another important neighbour of ours is Bhutan and we are very happy that we were able to sponsor membership of Bhutan in the United Nations. Bhutan is making very rapid progress, both internally as well as externally.

India's relations with Bhutan have been very cordial and friendly. The late King Jigme Dorji Wangchuk was instrumental in forging very close ties with India. His open and forthright support to the cause of Bangladesh and his recognition of Bangladesh within hours of India having done so was greatly appreciated in India.

I should like to say that this was entirely at the initiative of his late Majesty; we did not approach him at all in this connection. His untimely demise on 21 July 1972 was very widely and deeply mourned in India.

The new King, Jigme Singye Wangchuk, who succeeded on 24 July 1972, is following the policy of his father in forging close ties between India and Bhutan. He has also stated very categorically that no change was contemplated in the Indo-Bhutan Treaty of 1949 to which both India and Bhutan attach great importance.

Ever since Bhutan's entry into the UN in September 1971 we both have

*1 crore = 10 million.

been working in very close concert at the UN and other international agencies to which Bhutan has been admitted.

It is our aim to strengthen our friendship and cooperation with Bhutan in all fields. Bhutan has made noteworthy progress under the first two Five Year Plans of Bhutan. With the help of India's Planning Commission, Bhutan initiated her Third Plan in April last year with an outlay of Rs. 35 crores. Out of this amount, India has agreed to provide Rs. 33 crores. Indian aid has resulted in the economic development of Bhutan in several vital sectors such as agriculture, industry, power generation, education, road construction, transport and communication. The Bhutan Government have welcomed the valuable assistance rendered by the Planning Commission in framing their five year plans and have accepted Planning Commission's suggestion for annual reviews by the Commission of the progress of their plans. I would, at this stage, while mentioning about our neighbours, like to say a few words about the present situation in Sikkim about which several Hon. Members from the Opposition benches, including the Hon. Member of the CPI(M), made a reference. There were several other references also made in that connection.

S I K K I M

I would like to take this opportunity of stating the present situation in Sikkim. After the general election in Sikkim recently, the tension had aggravated as there were charges of malpractices, corruption and rigging up of elections on the part of Sikkim authority.

While popular demonstrations were taking place, the arrest of the President of the Sikkim Janata Congress, Shri K. C. Pradhan, by the Sikkim Durbar led to strong resentment and there was a mass upsurge against the Sikkim rule. Police excesses resulting in large-scale casualties further aggravated the situation.

As the law and order broke down, the Chogyal requested for our help which we immediately extended. This is one of our responsibilities in our relations with Sikkim.

I might mention that in normal circumstances also we are helping Sikkim in its administration by lending the services of highly experienced administrators and other officials on the request of the Chogyal and of the Government of Sikkim.

The Hon. Members probably know that we are giving considerable economic assistance to Sikkim. This is approximately Rs. 5 crores per year which is very significant considering that Sikkim has a population of only 2½ lakhs*. The present position is that the law and order situation has returned to normal and the Sikkimese officials and police have resumed their responsibilities. Of course we have also lent them support and, in the initial stages, army had to be called out to stabilise the situation. The popular leaders are

*1 lakh=one hundred thousand.

it was also publicly stated that Pakistan attaches the first priority to the question of prisoners of war and that other normalisation measures such as restoration of overflights and communications and several other matters mentioned in the Simla Agreement could not be discussed. Therefore, no progress could be made. President Bhutto said on the important question of recognition and on taking steps for normalisation of relations with Bangladesh that he would like to await the outcome of the elections in Bangladesh. This was an attitude for which there was no justification whatsoever. So far as international affairs go, I have not heard any example, or any incident or precedent, where a third party may say that they are not prepared to deal with another country because elections are going to take place in that country. That was an attitude which was absolutely unwarranted. Still we persevered; we did not give up hope. The elections in Bangladesh were held. I have already made a mention of that. But in this connection, I have to mention that again. The Bangladesh leaders naturally got preoccupied with their first General Elections according to their new Constitution.

At the earliest possible moment after the elections, India and Bangladesh got together and evolved the joint declaration. I need not say much on this document because this declaration, I think, is a proposal which has received universal support in the country and without any dissent in any part of the world. There is no doubt there was one voice of dissension raised on the floor of the House by the leader of the Jan Sangh Party, and he used expressions without realising the import of those expressions. Here is a joint declaration evolved by consultation between two independent governments, India and Bangladesh, and we made an offer to try and solve an essentially humanitarian problem. We deliberately took a decision to keep the political issues apart. That does not mean that our stand on the political issues is given up. In fact, we do strongly continue to hold the view that continued non-recognition of Bangladesh by Pakistan is a negative factor in the situation of the Indian subcontinent. This will continue to be the major obstacle in the way of normalisation of conditions in the Indian subcontinent and this will be an obstacle in the way of establishment of durable peace. This position continues to be good because this is the only sound position that is possible and feasible under these circumstances. Knowing that fully well, both India and Bangladesh made the proposal in order to solve the humanitarian problem. What is the response of Pakistan to this?

I would like to take the House into confidence about our present thinking in this matter. As the Hon. Members are aware, during the past year Pakistan has been carrying on world-wide propaganda on the prisoners of war with the set objective of obtaining a unilateral settlement without fulfilling its obligations towards Bangladesh. This has been their main preoccupation. India's approach has consistently been that Pakistan should remove the obstacle in the way of holding tripartite talks so that Bangladesh can participate as a sovereign country in the discussion for resolving the various issues emanating from the December 1971 conflict. Pakistan has not

only refused to take the necessary steps to recognise the realities in the sub-continent but has also been using wholly negative tactics, which has been the principal factor for the delay in the resolution of the humanitarian problems. Despite Pakistan's continued hostility and negative attitude the governments of Bangladesh and India, guided by their desire to find an immediate solution to the humanitarian problems resulting from the December 1971 conflict, issued the joint Declaration of 17 April 1973. This Declaration suggested a fair and practical solution of the humanitarian problems, by separating them from the political issues. The Declaration visualises simultaneous repatriation of the Pakistani prisoners of war and civilian internees, the Bengalis forcibly detained in Pakistan and the Pakistan nationals in Bangladesh who have declared their allegiance to Pakistan and have asked for repatriation to Pakistan.

The joint Declaration provides clear and concrete proof that the governments of India and Bangladesh have no intention of using the prisoners of war for extracting any kind of political concessions from Pakistan. The world at large has welcomed the constructive nature of the joint Declaration and has acknowledged the fact that, by this gesture, Bangladesh and India have demonstrated their desire to find an immediate solution for the humanitarian issues. They have further commented that the ball is clearly in Pakistan's court and it would be unwise on the part of Pakistan to try to introduce political elements or quibble on its terms.

However, it is a matter of regret and disappointment that the statement issued by Pakistan on 20 April should not only attempt to reintroduce political considerations but also set forth an extreme position calling for the one-sided resolution of the issues affecting Pakistan. It is strange logic to argue that while Pakistan prisoners of war and civilian internees in India should be returned forthwith, Pakistan is not prepared to fulfil its obligations towards those of its nationals in Bangladesh who have openly declared their allegiance to Pakistan and have asked for repatriation. It needs to be reiterated here that the attitude of the Government of Bangladesh towards these people has been most humane and constructive. It was primarily due to the vision and magnanimity shown by the Prime Minister of Bangladesh and his Government that out of a total of about 1,00,000 non-Bengalis a majority has decided to stay on in Bangladesh. That is a matter which is conveniently forgotten in this context. Only an estimated 2,50,000 have declared their allegiance to Pakistan and are desirous of repatriation. I would like to add that the Bangladesh Government undertook elaborate arrangements to ascertain their allegiance and their desires in the matter of repatriation and these people have made their statements solemnly before magistrates declaring that they are Pakistani nationals and that they are desirous of going to Pakistan. It is not a case in which all the non-Bengalis are to be sent across but only those who have expressed their desire in more or less a formal manner before the magistrates. All that Bangladesh has done is to make it possible for the return to Pakistan of persons

in Bangladesh who avowedly owe allegiance to Pakistan and not to Bangladesh. Their number is only about one-third of the non-Bengalis in Bangladesh. Thus, there is no question of Pakistan being asked to take a so-called 'ethnic, linguistic or political minority' as such, as alleged by Pakistan, it is only a question of Pakistan taking back those who regard Pakistan as their country. As for the rest of non-Bengalis, Bangladesh has made it perfectly clear that those owing allegiance to Bangladesh will be enabled to remain in that country as equal citizens. There is no arbitrary expulsion, no option taken under duress, as alleged by Pakistan. In the face of these facts the expression of distress and concern in the Pakistan Government's statement about the fate of these people, is, to say the least, totally misplaced.

The Pakistan Governments' own record of dealing with nearly 4,00,000 Bengalis who have been forcibly detained in Pakistan, stands out in marked contrast. The civil servants amongst them numbering 16,000 were summarily dismissed in July last year. The military personnel of Bangladesh origin numbering nearly 28,000 have been detained in camps. Those Bengalis who have been caught while trying to escape from Pakistan after selling all their belongings are being jailed. Are these persons to be treated on the same footing as the 195 Pakistani prisoners of war charged with criminal offences by the Bangladesh Government? It is to be noted that in the latter case there has been an extremely careful sifting of evidence by the Bangladesh Government which has revealed their involvement in heinous crimes against innocent civilians, including women and children.

The Bangladesh Government has itself declared that the trials will be held in accordance with universally recognised juridical norms. Eminent international jurists, according to the Bangladesh Government's statement, will be invited to observe the trials and the accused will be afforded all facilities to arrange for their defence and to engage counsels of their choice, including foreign counsels. There cannot be a more fair treatment of these persons. Even on this subject, the international community will not fail to notice that, whereas at one time Pakistan's spokesman had been suggesting that they would be quite reconciled to the trial of about a thousand or more prisoners of war by Bangladesh provided the rest of the prisoners of war were released, now Pakistan is making it a condition that even 195 persons against whom there is a clear-cut evidence of involvement in crimes should not be tried by the Bangladesh Government. Further, it is threatened that if the Bangladesh Government goes ahead with these trials, the Pakistan Government will have to bring to trial some Bengalis in Pakistan. It is a very strange case of, what should I say, judicial reprisals that, if Pakistani prisoners of war are to be tried, then, as a retaliatory measure, the Bengalis who are held in Pakistan will be tried. One has heard of many retaliations, but this is perhaps a new form of reprisal.

The spokesman of the Government of Bangladesh has rightly commented on this and has stated that if such trials of innocent Bengalis are held

in Pakistan, it would constitute a crude attempt at black mail and judicial reprisals in violation of all canons of international civilised conduct. These are also our reactions with regard to the statement made by Pakistan.

Having said all that, how should we deal with the situation? The most important thing that has to be done is that before finalising our joint and common attitude, we have to consult the Bangladesh Government. We have already initiated that process and, we hope to evolve a joint and common attitude that has to be adopted while dealing with this problem and, I am sure, as a result of these consultations, a joint approach will be possible. It is our intention to evolve that joint approach.

I would also like to say that we do not take a completely negative attitude in this situation notwithstanding the various unsatisfactory features in the statement of the Pakistan Government. I cannot help expressing the hope that the Pakistan Government will still review their position and accept the basic principle of the joint Indo-Bangladesh Declaration, namely, that all humanitarian issues emanating from the 1971 conflict should be settled together and these issues have to be separated from political consideration. If this principle is accepted, we are quite certain that the way will be cleared for the immediate repatriation of the Pakistani prisoners of war and civilian internees as well as the stranded Bengalis in Pakistan and Pakistanis in Bangladesh.

This is our approach. I would also like to add that we have received a formal communication from the Minister of State for Foreign Affairs of Pakistan.

We will, after consultations with the Government of Bangladesh, as already indicated by me, be able to send a reply to that communication in the light of our joint consultation.

I would like to say in the end that if the basic concepts of the Simla Agreement, about which Pakistan has again reiterated their desire to adhere to in letter and spirit, are actually translated into action and the problem is tackled in the humanitarian spirit, the spirit in which we had made this offer jointly—the joint offer was by India and Bangladesh—I am sure that this problem which involves several lakhs of people, of Bengalis, Pakistanis and prisoners of war and civilian internees, can be tackled; the only way to resolve this problem is to have a humanitarian view of the type that we had indicated in our joint declaration. . . .

SHRI SHYAMVANDAN MISHRA: *In view of what you have stated, we fail to understand how Pakistan have declared that deadlock with India has been broken.*

SHRI SWARAN SINGH: *I wish I could answer for Pakistan. But what I mean to say is that one does get an impression that they appear to be blowing hot and cold at the same breath, but it is not unusual and it will be our effort to sift this matter and try to find out if there is really a meeting point; our endeavour will be to find a meeting point.*

N E P A L

Another close neighbour of ours, Nepal, was mentioned. I would not like to take much time of the House on this. I would like to say that our relations with Nepal are very close, very friendly. Our contribution to their economic development is the largest as compared to any other country. *Our contribution is of the order of Rs. 10 crores per annum.* So far, our aid to Nepal comes to Rs. 100 crores. Our aid covers such vital areas as road construction, airport construction, major hydel and irrigation projects, water supply schemes including one in the city of Kathmandu, aid to the only university in Nepal, namely the Tribhuvan University, horticultural schemes, forest research institutes, geological surveys, establishment of industrial estates, etc. It has been a very purposeful cooperation in the economic field with Nepal. Of the amount of aid India gives to foreign countries, Nepal is the largest recipient.

On trade and transit, I think, the point was missed by the Hon. Member who raised this point that, probably, there were some Nepalese traders. They are not, in the first instance, Nepalese traders. It is true that there were some Indian traders who were trying to import goods into India, trying to smuggle across to our territory. All these were banned goods and so, they were making unconscionable profits. That was the essential point about which India and Nepal governments were unhappy, and both the governments came to an agreement about that, because smuggling is a matter of mutual concern, both to India and Nepal. Nepal itself has been interested in channelising trade through legitimate hands and has viewed with concern any smuggling activity across the Indo-Nepalese border. For instance, they have nationalised their jute exports, just a few weeks ago. This is indicative of *their deep concern* in this matter so that this smuggling may be stopped and I do not think that the point mentioned by him was ever their concern. May be that some traders might have approached the Hon. Member to raise his voice on their behalf, but, certainly, it does not come in the way of the continuance of close and friendly relations between our two countries, India and Nepal. We have excellent relations with Nepal. It is an open border. No travel document is required to travel across the Indo-Nepalese border. The supply of goods across the border also is completely free. This is one of the relationships which is the envy of many other neighbouring countries in the whole world and we are deliberately pursuing a policy so that there should be mutual friendship, mutual help and this should strengthen our relations with Nepal immensely and we intend to continue these relations.

U S A

Other important matters were also referred to and, with your permission,

I would like to make a brief mention to some of these matters. Mention was made of our relations with the United States. Now, this is a subject on which one can say a great deal and some Hon. Members have spoken with a great deal of feeling and emotion on this subject. We ourselves in the House discussed this question some time back particularly in relation to the decision of the Government of the United States of America to supply arms to Pakistan. We expressed in no uncertain terms our total opposition to that policy of the United States. Our relations with the United States; which had been at a very low ebb during the past two years, showed signs of improvement towards the end of the last year. There were expressions of desire from both sides to normalise and strengthen these relations. On 30 November 1972, I stated that we were prepared to develop our relations with the United States on the basis of equality, reciprocity, mutual interest and in the light of the new realities obtaining in the subcontinent. There had been similar expressions of a desire for a better relation on the part of the United States Government. It has been the Government's policy to develop friendly relations with all countries including the United States of America.

A principal obstacle in the Indo-US relations has been the American supply of arms to Pakistan. The Government of India had hoped that this policy would come to an end and thus pave the way for the establishment of a durable peace in the subcontinent. The United States Government's recent decision to lift the embargo on the supply of arms to Pakistan has caused us much disappointment and concern. This concern has been widely shared by the Parliament and the public opinion. We have conveyed our strong feelings to the United States Government and it is our own conviction that the supply of arms by the United States to Pakistan will seriously impede the normalisation of Indo-Pak relations and jeopardise the prospects of a durable peace in the Indian subcontinent. It may also pose a serious threat to India's security.

During the recent visit of Mr. Kenneth Rush and Mr. Joseph Sisco I again took the opportunity of pointing out to them the consequences of the supply of US arms to Pakistan. I do hope that the US Government will take note of our serious concern and help in the process of a detente and reconciliation and peaceful cooperation in the subcontinent.

CHINA

Several Hon. Members spoke about our relations with China. I have nothing very important to report in this connection but still I would like to take the opportunity to state our position and our assessment.

Since I spoke to the House in December last year, there have been a few stray but significant indications of improved Chinese attitude.

While one cannot say that the basic Chinese attitude has undergone any significant change, one has to recognise that at social and official functions

the Chinese attitude now is more relaxed and congenial than in the past. I am particularly referring to the normal attitude adopted by the Chinese officials and diplomats all over the world towards our representatives.

We also notice some lessening of the propaganda against India and a slightly more realistic attitude towards the situation on the Indian sub-continent.

We are happy to note that the loudspeaker propaganda on the Sikkim-Tibet border has now ceased.

We have always hoped that things will gradually change and there will be greater normalcy of relations between India and China. Given the goodwill and sincerity on both sides, I think this should not be difficult.

India and China are two big countries with a long common frontier. They are close neighbours and it is in their interest to have friendly relations with each other. It is our policy to work for improvement of our relations with China.

USSR

Certain references were made about our relations with the USSR and I would like to take this opportunity of reiterating once again that we attach the greatest importance to our relations with USSR. Our relations are friendly and cordial and close and there has been meaningful and purposeful cooperation in the political field and in the economic field and we are highly satisfied with our relationship with the USSR. It is unfortunate that some discordant notes were uttered here without any justification.

I was particularly amazed at the attitude adopted by the leader of the Swatantra Party, Shri Piloo Mody. I went through the record of his speech when the Indo-Soviet Treaty was being discussed and I would leave it to the Hon. Members to compare the speech that he delivered today with the speech that he delivered at the time when the Indo-Soviet Treaty was being discussed on the floor of the House and the difference will be surprising. My colleague rightly points out that he was not the President of the Swatantra Party at that time. . . .

SHRI PILOO MODY: I would like to draw the attention of the Hon. Minister that if it is still possible for him he may read my speech of yesterday and also the speech which I made at that time when the Indo-Soviet Treaty was signed and he will find no contradiction in them at all.

SHRI SWARAN SINGH: I would only like to say that the first major statement by any non-Congress leader in the country in support of the Indo-Soviet Treaty was made by late Shri Rajaji. In very clear terms he said that this is a Treaty which is in the mutual interest of both India and USSR. He has also said this is very much in the interest of India and in the interest of USSR.

I would like to say a word about the matter which was referred to by Shri Vajpayee, that is, the fact that Mr. Dange addressed the meeting in

Moscow. He takes exception to this. I thought that the institutions in India where we permit various political parties to have their say and to make any statement, either inside the country or abroad, is something which all of us value. As a country it shows that we value the right of freedom of expression. And those ideas were the ideas of one political party. There was no question of ever equating a non-official representative with the representatives of the Government. In that gathering both the representatives of the Government were invited and also the leaders of several other political parties were also invited and naturally they participated in the discussions and made their statement. To use that as a handle to criticise USSR is nothing else but a sign of lack of appreciation of the true depth of relationship.

I would say in all earnestness that we should try to make a distinction between who is our friend—who is our friend who stands with us on moments of trial, who is our friend who stands with us on moments of need—and should not try to equate that only with the idea of so-called equidistance. I would like to say that this doctrine of equidistance between friends and foes; equidistance between good and evil is something which is totally unacceptable to us.

WEST ASIA

Now, Sir, there is only one area and I will talk about it briefly. I think the House expects me to make some comment because several Hon. Members have mentioned about Iran and Gulf area.

The West Asia crisis, apart from being by far the major preoccupation of the Arab countries in the area, is an issue fraught with serious implications for world peace.

The House is fully aware of our stand on this issue, notably the vacation of aggression by Israel and the restoration of the rights of the Palestinian people. This continuing aggression has built up an explosive frustration which manifests itself in acts of violence and in inexcusable and flagrant violations of sovereignty by premeditated and planned attacks by Israel. We witnessed very recently another outrageous example of such an aggression by Israeli armed forces on Lebanon where civilians were indiscriminately shot down. The matter came up before the Security Council during the past week, and we kept close touch with our Arab friends. The resultant resolution was no doubt of a compromise nature and Lebanon ultimately agreed to it. We would have preferred a more specific and action-oriented resolution to prevent the recurrence of such unprovoked Israeli aggression.

A further resolution has been adopted and it calls for a full report by the Secretary-General on the situation in West Asia and a further consideration of the situation by the Council. We hope this resolution will provide a fresh opportunity for some purposeful action which is long overdue.

I may be excused if I were to make a reference to the remark made by

Professor Hiren Mukherjee who said that our F message of sympathy to President Nixon and not to the Belgian Prime Minister. This is not correct. I have checked up. Our Prime Minister sent a message not only to President Nixon but also to the Belgian Prime Minister on the assassination at Khartoum. So, we do not make any distinction on these humanitarian issues.

GULF STATES

Now, I would like to say a few words about Gulf States—an area which I visited not long ago. In January-February this year I paid visits to the States of Oman, Qatar, the UAR, Bahrain and Kuwait. On all sides there was ample evidence of the historic ties that have linked these countries with India, particularly in commerce and trade and in cultural exchange. These factors have generated spontaneous goodwill towards India among the people and among their leaders. In all these States there is intense activity for utilising their vast natural resources for modernisation and for establishing newly gained independence on firm economic and political foundations. In this process, we believe there is great scope for economic cooperation between India and the Gulf States, and we found a lively interest in such economic and technical cooperation. The exchange of delegations of experts with all these States has already started and will further increase in the near future.

We found all the Gulf States fully sharing our conviction that the Gulf should be an area of peace, open to all for peaceful purposes and free from tension, from domination or outside interference. We also share this policy with these countries in regard to the Indian Ocean of which the Gulf forms a vital extension.

Sir, with Iraq we have recently signed important agreements on oil supplies both in the short and in the long term and there is considerable scope, which experts are now studying, for participation in joint projects both in Iraq as well as in India. In other commercial, technical and cultural fields also we both intend to intensify our collaboration. We have with Iraq an identity of views on a number of fundamental issues, such as on non-alignment, peaceful co-existence and both of us are following a socialistic pattern of society suited to the genius and capacity of our respective peoples. We are glad to observe that Iraq has mastered her initial difficulties in the nationalisation of her oil resources.

Professor Mukherjee, Shri Vajpayee, Shri Sant Bux Singh and other Hon. Members have drawn attention to reports of rearmament. On this issue I had also, on an earlier occasion, made a statement. This House has expressed concern that this, in turn, should not lead to rearmament in Pakistan, which, of course, is a partner of Iran in CENTO and in the RCD. Naturally, we watch closely and constantly assess the strategic implications of such developments, particularly in our part of the world.

We are aware from sad experience that the armament of Pakistan has sur-

ported the policies of militant confrontation with disastrous consequences to peace in our subcontinent. Our friendship with Iran is longstanding with deep cultural roots, common traditions and historic ties. We have a sizeable commercial exchange. Iran is already participating in our oil refinery in Madras. There are great possibilities in petro-chemicals as well as in other economic and technical fields. We have been pursuing these matters and in some cases are now negotiating agreements, and we intend to strengthen this cooperation further and thus give modern content to our relationship.

The Hon. Speaker had directed in the morning that I should inform the House of the unfortunate incident at Oslo. I have made inquiries, and I would like to say briefly that on Sunday, 22 April 1973, an attempt was made to set fire to the Indian Chancery in Oslo. The entrance hall of the office as well as some parts of the reception room were totally gutted. However, there was little damage to the other rooms and the Embassy records are perfectly safe.

The miscreants left a hand-written poster on the signboard of the Chancery demanding that the prisoners of war should be set free. They have written this poster in English, Norwegian and Urdu and had signed it 'Green Shirts' in Norwegian. The Norwegian Police are investigating the incident and we are also sending a senior security officer to help the Norwegian Police in their investigations.

This is a typical case of a misguided terrorist activity. In view of our sincere effort to resolve the humanitarian problem, I hope that better sense will prevail and these types of incidents will not be repeated. India is not a country which can submit to this type of blackmail. These incidents can be counter-productive.

DISARMAMENT

I have tried to touch upon several aspects. There are other important problems in the world, and Shri Krishna Menon rightly drew our attention to the important question of disarmament.

There is no doubt that disarmament is the most important question facing the international community and the world. I would not like to go into details, although a great deal can be said; it may be that when I have some other opportunity, I shall try to elaborate this problem. Whereas some sort of limitation has already been accepted in the matter of anti-ballistic missiles between the two super-powers, a great deal more has to be done. Even in the sphere of nuclear weapons tests, there are countries which are outside the present partial test ban. France and China are not signatories and are not parties even to such partial or limited agreements. But, for the developing countries, for a large number of countries, disarmament in the international field is a matter of high importance.

The General Assembly had adopted a resolution that there should be a world conference on disarmament. Countries are not yet forthright in taking

united front. Of course, this is not enough. I think the Lusaka conference was a good conference. We came out with a good resolution. But then, you see, nothing much has happened afterwards. So success will be judged only by the follow-up action.

16. *India's Foreign Policy in Perspective* by Sardar Swaran Singh, Minister of External Affairs.*

Non-alignment, non-interference in the internal affairs of other countries, peaceful co-existence, friendship with all countries of the world, especially our neighbours, and support to the struggle against colonialism and exploitation in every form, are the principles on which India's foreign policy is based. Even before we attained freedom, Jawaharlal Nehru had defined these basic principles.

He declared in a broadcast over the AIR on 7 September 1946: 'We propose, as far as possible, to keep away from the power politics of groups, aligned against one another, which had led in the past to world wars and which may again lead to disasters on an even vaster scale. We believe that peace and freedom are indivisible and the denial of freedom anywhere must endanger freedom elsewhere and lead to conflict and war. We are, particularly, interested in the emancipation of colonial and dependent countries and peoples, and in the recognition in theory and practice of equal opportunities for all races. We repudiate utterly the Nazi doctrine of racialism, wheresoever and in whatever form it may be practised. We seek no dominion over others and we claim no privileged position over other peoples. But we do claim equal and honourable treatment for our people wherever they may go, and we cannot accept any discrimination against them.'

SPIRIT OF PEACE AND FRIENDSHIP

Our policy is to develop friendly cooperation with all countries, irrespective of considerations of blocs, ideologies, systems of Government and societies. While moving the Objectives Resolution in our Constituent Assembly on 13 December 1946, Jawaharlal Nehru said: 'We approach the world in a friendly way. We want to make friends with all the countries.'

This has continued to be our policy ever since our Independence. We do not want to dominate any country. At the same time we cannot allow our independence to be eroded in any manner. The best way to safeguard our independence is to secure peace in the world. It has, therefore, been the policy of India not to join any groupings, military or otherwise, directed against any other country. We face the gigantic task of modernising our so-

*Reproduced from *Socialist India* (New Delhi), 18 August 1973.

ciety and it is possible to do so only in an atmosphere of peace and stability.

Non-alignment for us does not imply either non-involvement or neutrality. For us, it is an assertion of our freedom of judgement and action. We have never hesitated in expressing our views on any major world issues or in supporting a just cause. Perhaps, it is easier in the short run to be a camp follower rather than the captain of one's own ship of State, and master of one's own fate.

We have found by experience that an independent policy can run into conflict with interested parties. We have also faced opposition to our policies and other challenges. So far we have succeeded in facing them without giving up either our chosen path or our pragmatic interests. The thought that we have been able to do this has strengthened us as a nation.

The policy of regional military alliances, which had been built up by the mighty nations of the world in the post-Second World War period, is in the process of being abandoned today by those very powers. For, the history of the last almost three decades has shown it up as empty, meaningless and unwise. Our policy of non-alignment stands vindicated by the history of these twenty-five years. There have been recently significant moves in Europe with a view to converting the East-West rivalry into an East-West cooperation. The admission of the People's Republic of China into the UN.; the Sino-American detente; the moves towards unification in the Korean peninsula—all these point towards the futility of the policy of power blocs and confrontation, and the validity of the policy of peaceful co-existence. The latter is what we have followed all along.

We believe that an effective way of achieving peaceful and friendly co-operation is through economic and commercial cooperation and technical collaboration. Recently, we have taken a number of initiatives to establish economic and technical cooperation not only with our immediate neighbours but also with many developing countries in the world. We have also taken interest in the activities of international organisations, like the Colombo Plan, Economic Commission for Asia and the Far East (ECAFE) and Special Commonwealth African Assistance Plan (SCAAP). Scores, almost hundreds, of Indian experts are working in a number of countries, assisting them in their developmental programmes, and we are glad that they have earned a good name for their own technical competence and for India.

independent countries of Africa. The largest proportion of our efforts in economic and technical cooperation tends to be made with countries of this region. India is ever ready to share her experiences with them and to render all possible assistance in their endeavour to develop themselves. A large number of joint ventures have been established by Indian entrepreneurs in several African countries. Scholarships are provided to enable African students to get specialised education in India. On the political level also, our relations with these countries are very close.

Recent developments in Uganda with regard to the persons of Asian origin have caused anguish and concern in India. The plight of the persons who were evicted from Uganda, and the manner in which all this happened, caused widespread anxiety. Most of them had British nationality documents, and our efforts with the Government of Uganda and UK have made their travails somewhat less rigorous.

We know that the independent countries of Africa adopting a policy of Africanisation or nationalisation of their commerce, industry and means of production is inevitable. Our effort is to ensure that as far as Indians and persons of Indian origin are concerned, this policy is carried out in a manner causing the least possible amount of suffering and dislocation of human life. We can draw some satisfaction from the statements of a large number of African countries indicating that their policy of Africanisation would be carried out gradually and in a humane manner.

LINKS WITH COMMONWEALTH

Soon after gaining independence, India decided to stay on as a member of the Commonwealth. The member-States of the Commonwealth evolved a solution which facilitated India's membership despite her giving herself a Republican Constitution. Our links with the Commonwealth have been useful and a factor in the expansion of international cooperation. Britain's decision to join the EEC has affected our commercial interests somewhat adversely, and we hope that the British Government will take the necessary initiatives in the EEC with a view to ensuring that our interests in this field, both short-term and long-range, are safeguarded.

During the freedom struggle, naturally, the UK was not very popular in India. After Independence, however, true to the precepts of Mahatma Gandhi, we have strived to build a new relationship of equality and friendship with the people and Government of Britain, which is free of rancour. Jawaharlal Nehru defined this well when he said, welcoming the British Prime Minister, Sir Anthony Eden, on 3 March 1955: 'So this remarkable thing happened, that after a long period of both good and ill, we came to an agreement and to a settlement and forged a new type of relationship, which type in itself is a good example for others. This is a relationship of being completely independent and yet attempting to be friendly with each other and to cooperate with each other.'

It is worth remembering that the USSR is our neighbour just across the Himalayas. Our geographical proximity has been a factor for the growth and development of our mutual friendly and warm relationship. Jawaharlal Nehru had said in 1946: 'To that other great nation of the modern world, the Soviet Union, which also carries a vast responsibility for shaping world events, we send our greetings. They are our neighbours in Asia and inevitably we shall have to undertake many common tasks and have much to do with each other.'

TIES WITH THE SOVIET UNION

In the course of the last 25 years, we have developed a relationship with the USSR, which is not based on expediency, but on mutual trust and warm appreciation of one another. India and the Soviet Union share certain principles which are reflected in their foreign policies. These are: promoting and maintaining world peace, the elimination of racism and colonialism, and peaceful co-existence with all countries irrespective of social system.

The Soviet Union cooperated with us in extending help to us in such vital sectors of the economy as machine-building, designing, power projects, oil exploration and oil refineries at a stage when getting adequate know-how from other sources was difficult. The growth of this Indo-Soviet relationship has already caused envy to many and disquiet to some; but discerning observers agree that this friendship is a factor which assists world peace.

In the political field, the Soviet Union has supported us in many world forums and also each time we have faced external aggression. It has been unambiguous in expressing its appreciation of the various steps that India has taken to defuse the situation and to establish durable peace in the sub-continent. In the economic field, there has been a steady rise in the volume of trade between India and the USSR. Our new trade protocol envisages the rise of this figure to about Rs. 410 crores during this year.

The Indo-Soviet Treaty of Peace, Friendship and Cooperation, signed in 1971, is a reflection of the friendly relations between the two countries. The Treaty was the natural culmination of our joint efforts in building up cooperation in various fields—economic, cultural and technological. We have made it clear time and again that it is a treaty for peace and not for war and it has no secret clauses. This Treaty is not directed against any third country. Neither would we permit any third country to have any say in our relationship with the USSR or for that matter with any country.

Jawaharlal Nehru once said: 'We are of Asia and the peoples of Asia are nearer and closer to us than others. India is so situated that she is the pivot of Western, Southern and South East Asia. In the past her culture flowed to all these countries and they came to her in many ways. Those contacts are being renewed and the future is bound to see a closer union between India and South East Asia on the one side, and Afghanistan, Iran and the world on the other. To the furtherance of that close association of

colonial exploitation by the West Pakistanis. We gave food and shelter to these millions of refugees. This burden was a great strain on our economy and was recognised as such by the entire world. Moreover, as a democratic country, we could not remain a passive spectator to the courageous struggle waged by the people of Bangladesh and their Mukti Bahini. We extended sympathy and support to their cause. The military rulers of Pakistan in their desperation against the Mukti Bahini launched an unprovoked attack on India on 3 December 1971, on our western borders. In the armed conflict that ensued Bangladesh won her freedom.

As is well known, the ceasefire on the western border was declared unilaterally by India on 17 December 1971. The Simla Summit was the result of our initiative.

The provisions of the Simla Agreement concerning withdrawal of troops from the occupied areas of the India-Pakistan international boundary and the delineation of the line of actual control in Jammu and Kashmir have been completed largely through the persistent and constructive efforts of India. An Indian official delegation was sent by us to Rawalpindi in July 1973 to settle the humanitarian problems left by war. The talks have helped to clear the air.

We, on our part, continue to pursue the goal of peace, stability, normalisation and amity in the subcontinent with seriousness and persistence. We have expressed ourselves unequivocally and feel strongly that the unhappiness and misery of the human beings, affected by the subcontinental relationships, must be eliminated. Perhaps the recognition of Bangladesh by Pakistan can become a major positive factor in normalising the situation on the subcontinent.

MAKING UP FOR LOST TIME

Peace on our subcontinent is neither an impossible ideal nor an avoidable one. The sooner the leadership in Pakistan recognises this, just as Bangladesh and ourselves have done, the better it will be for the 700 million people of the sub-continent and for peace in Asia and in the world at large. Outsiders can exacerbate the situation and sow seeds of suspicion and mutual hostility only if we ourselves are naive and gullible. The people of the subcontinent have been made to lose, by the outsiders, at least a quarter of a century of valuable time which could have been utilised for economic development and social progress. Let us make up for that lost time by resolving our differences and, through mutual cooperation, solving the common problems faced by our nations.

The mutual cooperation between Bangladesh and India can show all the countries of the subcontinent a way and provide an example. We welcome the emergence of Bangladesh as a non-aligned country and we look forward to our mutual collaboration in such international forums as the Colombo Plan and the Commonwealth and, hopefully, in the United Nations also, in

the not too distant future.

Today, India's policies and views are well understood around the world. Our pursuit of an independent policy has faced many obstacles and challenges but we have been able to overcome most of them. We are ready to face many more challenges in the coming years, but then life would be insipid without challenges.

We are determined to establish a framework of durable peace and stability and cooperation on the subcontinent. We want to convert the existing Indo-Pak relationship into a relationship of peace and friendship. We are determined to expand our close and fruitful cooperation with Afghanistan, Nepal, Bangladesh, Bhutan, Burma and Sri Lanka.

We must make efforts to keep the Indian Ocean a zone of peace. The General Assembly resolution, adopted on 16 December 1971, designating the Indian Ocean as a zone of peace for all times and abolition of all foreign bases, military installations, and dumping of nuclear weapons and weapons of mass destruction, must be implemented. We must follow up in Algiers the call given at Lusaka for keeping the Indian Ocean free from all big power rivalries.

Our foreign policy has been conditioned by the history of our freedom movement. It has also been affected by our geographical location in Asia. That immediately after Independence we embarked upon a planned programme of industrialising our country and of ensuring social justice for our people has also been a factor in our thinking on foreign affairs.

CRUCIAL FACTORS

In a developing country committed to freedom of speech, expression, association and the press, we have been building up our democratic institutions. The parliamentary form of Government which we have evolved for ourselves has resulted in the Government being constantly under the pressure of public opinion. This has been another principal factor in the building up of our attitudes in international affairs.

Our commitment to non-alignment has been a reaffirmation of our determination that our hard-won freedom shall not be diluted by any controls on our foreign policy from any source whatsoever. To us, in the spirit of Buddha, Nanak, Akbar, Gandhi and Nehru, the concepts of anti-colonialism, anti-racism, anti-imperialism, international cooperation on the basis of sovereign equality, have come easy.

We do not covet the territory of others and we are determined not to yield an inch of ours. We do not envy the wealth of others, but are determined to produce our own. We shall not allow our people to be exploited by others. We do not believe in the outmoded theories of balance of power of one sort or the other. We believe only in ensuring that other people's imbalances shall not affect our own independence, sovereignty and integrity as a country and our own freedom of response and action in the field of foreign affairs.

17. Prime Minister, Indira Gandhi's Interview to the Editors of *Blid Zeitung*, Hamburg, 20 August 1973.

(*Excerpts*)

QUESTION: Let us presume that the present negotiations between India, Bangladesh and Pakistan will have satisfactory results. What effect will this have on the economic and, in the long run, political relations between India and Pakistan? We believe that the prevailing conditions on your subcontinent are favourable.

PRIME MINISTER: It is always difficult to prophesy what results will accrue. But certainly it would be a good step towards the lessening of tension and creating a better atmosphere. And certainly if there is friendship and cooperation between the countries of the sub-continent, this can lead to greater economic cooperation and from that point of view it will help the economic situation.

QUESTION: You have signed a Treaty with the Soviet Union. We have learnt that you are also trying to normalise your relationship with the People's Republic of China. Do you think it is possible without weakening your relationship with the Soviet Union?

PRIME MINISTER: Certainly. Why should relationship with one country affect our relations with another country? There is nothing in the Treaty with the Soviet Union which could possibly come in the way of friendship with China, the United States or any other country. It is merely a Treaty of Peace and Friendship; it is not against any country.

QUESTION: How do you regard the Soviet proposal to introduce a security system to Asia? Wouldn't this make China suspicious?

PRIME MINISTER: What China would think, you better ask the Chinese. I don't think I can answer on their behalf. India, as you perhaps know, has never favoured military alliances or military groupings of any kind. We do stand for greater economic cooperation amongst the countries of Asia, and the others of course, and we think that this also strengthens each country individually.

QUESTION: It appears to us that there is actually no reason for any kind of power struggle between India and the United States. How do you foresee the relationship between India and the United States in times to come?

PRIME MINISTER: India does not regard herself as a power. Nor do we want to be a power of any kind. So, there is no question of being involved in a struggle of this type. Misunderstandings arise with the United States because our assessment of the international situation, especially in our part of the world, is sometimes different from theirs. It is bound to be, you see. The geographical situation, the historic background—all this guides one's outlook and one's foreign policy. But I think there is a realisation now, if not by the Administration at least amongst many sections of the people, that India is too big a country to be ignored or to be taken

for granted. I think there is an effort. We have to try and create a better understanding and to have better relationship.

QUESTION: The European Community is becoming more and more an important partner of India. What policy will India follow economically and politically in her relationship with the European Community?

PRIME MINISTER: The European Community is important. We have had an Ambassador, therefore, for quite some time and there are many issues which can be sorted out at the official or diplomatic level. Our only concern was that this community should not become yet another rich man's club excluding the developing countries. . . .

QUESTIONER: Poorer countries.

PRIME MINISTER (continuing): . . . not considering their needs and not listening to their voice. When we talk to each country separately, they agree with us, but when they get together, I think some chemical change takes place.

QUESTION: The Federal Republic of Germany and India are led in foreign politics pretty much by the same principles. Do you foresee any form of political cooperation between our two countries after admission of the Federal Republic of Germany to the United Nations? If so, in what particular fields?

PRIME MINISTER: The Federal Republic has shown understanding of India's position in a number of situations and they have helped us economically also. We have welcomed and admired the moves taken by the Chancellor towards détente and trying to have a more peaceful Europe. We fully support him in this. India is always willing to cooperate with anybody in anything that has to do with peace. Of course, we use 'peace' in a much larger context. Peace in Europe is very good, but it is equally essential to have peace in Asia and other continents. We believe that peace and prosperity are indivisible. If the poorer countries can't develop and if they remain poor, that will always be a basis for tension and strife and conflict.

QUESTION: When India recognised the German Democratic Republic, your country has made it clear that this step should not be mistaken as a vote against the reunification of Germany with peaceful means. On what basis do you believe reunification of Germany is feasible?

PRIME MINISTER: It is for your two countries themselves to decide what sort of future they envisage. We have supported the entry of both into the United Nations and we have friendship with both countries. So, we can only hope that whatever agreement they come to will be of mutual benefit and, therefore, will help the general European situation as well.

QUESTION: Do you see benefit in the two parts coming together?

PRIME MINISTER: That is for them to decide.

QUESTION: You don't have any idea?

PRIME MINISTER: People do not always like other people's ideas!

QUESTION: By the way, this morning you said you do not like some parts of the European way of life for India. I would like to hear what could be

fulfilled by the Indian way of life for Europe—may be for Germany?

PRIME MINISTER: It is not just Europe. The whole tendency today is to use science and technology to acquire more possessions. We are accumulating waste that cannot be used; we are accumulating goods that do not satisfy people. We think that this is not leading the world in any meaningful direction. Well, it is not giving satisfaction to the people who live in these affluent countries. Naturally, to our people who are still very poor, it is very attractive to see the glitter of the west. I do not know whether we can succeed or not, but certainly we shall try to show that this is only glitter and that there are certain things which are more satisfying and more valuable than mere glitter of this kind. But it does not mean that we can ignore the material well-being of our people because it is essential that they should be assured adequate food, shelter, and good employment and that science should be used to lessen the hardships of life. But we must know when to stop. I think that the human being needs some hardship and some challenge in which to grow as a person and to get satisfaction out of life.

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QUESTION: Are you satisfied with the help that you have received from the German Peace Corps? Is it sufficient?

PRIME MINISTER: I welcome the idea of young people feeling involved with the problems of others and some of these young people are idealistic and hard-working. But in India, you know, we do not really have a shortage of trained people. I don't think it makes that much difference somebody coming. . . .

QUESTION: What would be your foremost request to the Federal Republic of Germany? How could we render any additional aid? I do not mean aid in that bad way.

PRIME MINISTER: Yes, yes. At this moment a lot of aid just goes in paying back old debts, so that we get very tied up with it. We really need help only in the more sophisticated technology now. We have ourselves made a great deal of progress in technical know-how, but there are areas where we still need aid.

QUESTION: Which ones?

PRIME MINISTER: Well, in more sophisticated ones.

18. Minister of State for Defence Production V. C. Shukla's Reply to half-an-hour Discussion on Development of Nuclear Weapons for Defence of the Country, Lok Sabha, New Delhi, 24 August 1973.*

(Full Text)

VIDYA CHARAN SHUKLA: The Hon. Members who have pleaded for our copying the Chinese example as far as nuclear weapons are concerned should be quite clear in their minds that once we start copying China in this respect, the copying will not end there.

SAMAR GUHA: It is not a question of copying, but of assuring our national security. It is the reality. I have not said 'copying'.

VIDYA CHARAN SHUKLA: Let him hold his patience and listen to my arguments. He has been saying that China has done it and we should also do it.

SAMAR GUHA: No, I only talked about assuring our national security.

VIDYA CHARAN SHUKLA: I am only trying to impress on the Hon. Member and the House that if the Chinese have done certain things in their defence strategy, if they have undertaken a certain nuclear policy and development, they have done so against a certain background of the economic policy, social structure and political system they have evolved for themselves. The defence policy or the policy of developing nuclear weapons followed by China cannot be divorced from what she has done in other fields. Therefore, when we are looking at this, I would request Hon. Members to look at it from the viewpoint purely of our national interests. We should take into account what we are and what we are going to be, what our national aims are. Are our national aims the same as China's? What is our national aim? Of course, we want to defend and protect ourselves; we do not want to submit to nuclear blackmail of any kind. We are not looking for a nuclear umbrella from any other country. But the Hon. Member must realise that after the most barbaric happenings in human history perpetrated on Hiroshima and Nagasaki, not one war has been won by those nations who possessed nuclear weapons against other countries who did not possess them; they have always lost that war. You can see the logic of the situation. . . (interruptions). We must see what kind of situation we face here and what are the situations we are likely to face.

It is very easy to say that we should have nuclear weapons but if they go deeply into the question and not consider it in a superficial manner, I am quite sure that Profs. Samar Guha and Dandavate and many other knowledgeable and intelligent Members will come to the same conclusion that Government have come to, that we must have

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a practical and pragmatic approach to this problem.

I am quite one with Prof. Dandavate when he says that we should keep our nuclear options open. We have; we have not closed them. We have joined no such treaty which bars us from taking another view at any time we like. What we have stated in the House is our present policy. The present policy is dictated by the short term and long term national interests. My time is very limited and I do not want a running commentary from Shri Samar Guha. . . (interruptions). He should behave with the dignity which he always maintains in this House. When he was giving his views I did not interrupt him and I am now giving my views.

CHAIRMAN: I would remind Shri Samar Guha that when he was speaking Members who did not agree with his view did not interrupt him and now he should not interrupt the Minister. If any pertinent question is left unanswered we shall see afterwards.

VIDYA CHARAN SHUKLA: I am pleading with the Hon. Members who want India to go in for nuclear weapons to consider this matter deeply. If they are particularly interested I offer to arrange a meeting with our scientists and experts and we can discuss this matter thoroughly. They can put forward their viewpoints and scientists and other experts can put forward their viewpoints. These are not matters which could be discussed publicly in detail. I was saying that our policy was to keep our options open and use nuclear power for peaceful purposes.

The basis of our security has been questioned. Everybody knows the basis of our security. If you go to the root of the matter the point is not whether we possess nuclear weapons or not. Really the industrial and economic strength of the country is the basis of the security of the nation. Only after that other things come. I cannot accept this argument that we can be coerced by nuclear blackmail. Taken to its logical conclusion it would mean that any country which has any difference of opinion with a nuclear power must develop nuclear capability of its own. Otherwise it must submit to the nuclear blackmail of those countries. It is not and it cannot be the situation in the modern world. Therefore we do not accept the theory that China can blackmail us by developing nuclear capability.

The cost factor has been referred to. That is not an extremely important consideration. If national security and national interest demand, any amount of money can be spent. But since this question has been raised I should point out that a team of experts appointed by the United Nations which went into this question to find out the minimum cost for acquiring a credible nuclear force reached the conclusion that for acquiring a modest or elementary nuclear capability 1700 million dollars will have to be spent by a country. That is the opinion of experts, not of countries which are interested in keeping other countries non-nuclear. . . .

MADHU DANDAVATE: Dr. Bhabha's figure excluded the delivery system.

VIDYA CHARAN SHUKLA: I am not going into Dr. Bhabha's figure. I do

not know whether the figures quoted by Hon. Members are correct or incorrect.

MADHU DANDAVATE: That was the paper read in the Geneva Conference.

VIDYA CHARAN SHUKLA: That was a long time back. This matter, besides, is not dealt with by me and therefore, I cannot either confirm or deny the figure that he quoted. 1700 million dollars is the cost that has been estimated. Apart from this initial cost, if we want to keep pace with the technological advancement, we have to spend increasing amounts of money. Then to develop and maintain a delivery system is even costlier. Once you start riding the tiger, you cannot get off. I dare say that if Hon. Members who understand these matters go into the long-term costs, they themselves will realise that it does not appear advantageous today (to) our country to embark on this policy of nuclear armament. Therefore, at least for the present, it does not appear to us that the policy advocated by Prof. Guha will be in the national interest for us to follow. I am not taking the plea of morality; I don't think anybody should take that plea here. The main thing is the question of national security. Every other consideration is subordinate to it. Therefore, even on these two considerations, I am justifying the present policy because on these considerations alone our present policy is based. Therefore, I would say that the policy we are following today is the best policy in the circumstances. It is not jeopardising our security nor are we submitting to any kind of blackmail either present or future.

Suppose for argument's sake we develop some kind of nuclear capability and spend several billion dollars worth of money every year. We may never use it. Probably that is what is likely to happen; just as other nations have not been able to use it after 1945, we also may not be able to use it. After spending hundreds of crores every year on developing and maintaining the delivery system, etc., still the conventional army, navy and air force cannot be given the go by. They will also have to be developed and maintained intact. I do not think it is the argument of any Hon. Member that once you develop nuclear capability, we can write off the army, navy and air force. So, maintaining this defence budget which is already quite heavy plus developing and maintaining a nuclear delivery system in case we embark on it, is something which I do not think is in national interest. I would earnestly plead with Hon. Members not to be guided by sentimental reasons. They must take the hard facts of life into consideration. They must take the international situation into account. They should see the history of nuclear weaponry, how those who have nuclear weapons are faring, how even countries like UK and France have fared in the race for nuclear weapons. Their economy has had tremendous burdens and they are falling out of the race today because they feel it is not in their national interest to keep on doing it. France has recently exploded some nuclear device and, as the Hon. Members know, our judge in the World Court voted against this blast

not only because of moral considerations but because of practical considerations. We feel that the present policy that we are following is not only in the national interest but it is in the best interest of all concerned in the world. Our national security and national interests are not at all jeopardised by the policy that we are following at present.

SAMAR GUHA: I am thankful to the Hon. Minister that he agreed with me that the options should be kept open. But we cannot develop a nuclear weapon suddenly within a year. Dr. Sarabhai prepared a ten-year profile for the development of atomic energy in this country. I want to know what steps the Government is going to take to carry out the ten-year profile that was prepared by Dr. Sarabhai. The estimates given by the United Nation experts are absolutely irrelevant to Indian conditions; it is much less according to the Indian experts. May I know whether the attention of the Government has been drawn to that opinion given by Indian experts and atomic scientists?

CHAIRMAN: The House stands adjourned to meet again at 11 A.M. on Monday.

19. Foreign Minister Swaran Singh's Speech at Non-Aligned Foreign Minister's Conference at Algiers, 2 September 1973.*
(Full Text)

I am sure that I voice the feeling of all our colleagues present here, when I say that we have heard a very inspiring and stimulating address. The sagacity, brilliance and dynamism of our distinguished colleague, Mr. Abdel Aziz Bouteflika, Foreign Minister of Algeria, are well known to us. These qualities have been reflected most admirably in what he has told us. He has made a comprehensive analysis of the world situation and our attention has been drawn to the matters which require our urgent consideration in the political and economic fields. He has set a tone which is a very good augury for the success of our deliberations. It gives me great pleasure to extend to him on behalf of our distinguished colleagues from Asia, our profound thanks for his words.

We are very glad and happy to be here in this beautiful friendly and historic city of Algiers. We are not unfamiliar with the warmth and sincerity of the hospitality of our Algerian friends. The welcome that has been extended to us by the Government and people of Algeria has already found a place in our hearts.

Algiers is a citadel of liberty and its people have written a golden chapter in the peoples' struggle for freedom, peace and progress. It is now the seat of this historic summit, and for the next week the eyes of the world will be

**Foreign Affairs Record*, September 1973, pp. 323-29.

upon it. Your thought-provoking inaugural address will be a source of inspiration to all of us.

This conference—the 4th Summit Conference of Non-Aligned countries—is of crucial importance at this juncture in the evolution of the international scene. We are confident that under your able and wise guidance, this meeting of Foreign Ministers will be able to prepare the stage for the success of the summit commencing next week. We, the members of the Conference of Foreign Ministers, assure you of our whole-hearted cooperation in this joint endeavour.

I shall be failing in my duty if I do not take this opportunity to place on record our profound appreciation for the devoted and sustained contribution which our outgoing President and Coordinator, the distinguished Foreign Minister of Zambia, Mr. Mudena, has made over the past three years, since the Lusaka Summit, to the fruitful work and continuing success of the Non-Aligned movement—both in New York within the UN Forum and elsewhere including the preparation for the conference we had at Georgetown last year and for the 4th Summit Conference this year. Our sincere thanks also go to the distinguished Foreign Minister of Guyana, Mr. Ramphul, who guided our deliberations at Georgetown last year with such skill and competence and who has so ably assisted our coordinator in all the preparatory work. We thank them and we wish to you, Mr. Chairman, the same success in the discharge of the responsibilities which the Non-Aligned countries have now placed upon you and on Algeria.

Success, Mr. Chairman, is assured as we know of your wisdom and far-sightedness, your great role in the freedom struggle, and your complete dedication to the objectives of independence, social justice and human brotherhood.

20. Prime Minister Indira Gandhi's address to Non-Aligned Summit Conference at Algiers, 6 September 1973.*

(Full Text)

It is an honour to be in Algiers and to pay tribute to the indomitable spirit of the men and women of this land, whose epic fight for freedom evokes a sense of pride in all of us. Remembering India's own protracted struggle of nearly ten decades and true to our tradition of anti-imperialism, our sympathies were naturally with the people of Algeria to whom we gave full support. We had in New Delhi a representative of the National Liberation Front from the very early days of the Algerian struggle. When, after years of striving and sacrifice, independence came to this tortured land, my father hailed the event as 'a tonic and a blessing'.

We have watched with admiration Algeria's efforts to achieve social justice and its role in international affairs. The holding of this Conference

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is a tribute to that role and I bring to you, Mr. President, and to your people, the warm greetings of the Government and people of India.

Assembled in this Conference Hall are eminent leaders who have been rebels, architects of great revolutionary movements and creators of new nations. It gives me pleasure to see familiar faces; specially respected are two elder statesmen, His Imperial Majesty Emperor Haile Selassie, and President Tito, one of the inspirers of the non-aligned movement. I am glad to make new friends and to welcome new countries—Argentina, Bangladesh, Bhutan, Malta, Oman, Peru and Qatar—to our ranks as also Cambodia and the PRG of South Vietnam. I am glad that Sheikh Mujibur Rahman is joining us. He brings the faith and strength of the freedom-loving people of Bangladesh. We miss President Allende of Chile, who is fighting a battle which is common to us. I should like to take this opportunity of thanking my good friend, President Kaunda of Zambia, for the high sense of dedication and conscientiousness with which he has looked after the affairs of the non-aligned movement for the last three years.

Why have we, the Heads of nearly eighty Governments, gathered here, travelling long distances in spite of urgent domestic preoccupations? Is it to perform a mere ritual or to renew a dying faith by an act of congregation? The answer is firmly in the negative.

We are here because of our convictions and in response to the inspiration which initially brought us together and which is still valid in the contemporary world. We have a part to play in the re-making of the world. Non-alignment was born as an assertion of our will to be sovereign and not be mere objects of imperial history. It came into being after the travails of the Second World War when the world appeared to be rent asunder irrevocably. We said then that these divisions were inconsistent with the real interests of the masses who had just emerged from the long night of imperial exploitation. It was a deliberate, though difficult, attempt to lower tensions and tempers at a time when these were considered the accoutrements of strength. It was a principled contribution to peace. Non-alignment has not lost any of its relevance even though the rigid attitudes of the Cold War have softened.

We often hear the phrase 'third world'. Is this not a product of the unconscious desire of the small affluent section of humanity to continue as oases of prosperity in the midst of vast waste lands of want? Surely, our world is too small to be further fragmented. Mankind will survive together in hope and faith or give way to despair and destruction.

Three years ago I had suggested that we should direct our labourers to carry forward the Unfinished Revolution of our times. One aspect of this Revolution is the political liberation of the peoples of Africa, Asia, Latin-America and the Caribbean. Another is the endeavour to overcome the economic, technological and intellectual consequences of colonialism. But in reality and when seen in full historical perspective, the Revolution is much larger in its scope—ever unfolding new dimensions. The story of man is the

story of his progressive emergence into freedom—in his social relationships, in his attitude to authority and in his economic dealings. If science is the means of acquiring power, the end should be the use of power for the good of man. The Unfinished Revolution must, therefore, continue until freedom is assured to all, until inequalities amongst nations and within them are narrowed and until the power at the disposal of nations is tamed through institutions in which all peoples can participate.

At present we are unsure of ourselves and groping our way. Economic difficulties, political tensions and the uncertainty of the future bring many problems to the surface. Some groups adopt aggressive and chauvinistic attitudes, seeing them as substitutes for strength. We can be strong and can assert our own personalities only by following the right policies and by a mature combination of the old wisdom with new insights in order to evolve distinctive patterns of social organisation, notably in administration, legal processes and education in its widest sense.

Each of our countries has a surfeit of its own domestic problems, many of which have accumulated over the centuries and some of which have arisen from development itself. To these are added the problems created by external forces. Any one nation's interpretation of its legitimate interests or an economic decision taken in response to an internal situation has immediate and long term consequences for many other countries. Some concepts and technological discoveries have a worldwide impact. The work of scientists and technologists in the advanced countries in fields such as communications, space science, metallurgy, fuel technology or medicine poses many complex challenges for us.

When we became free, it was with high hopes of bringing about immediate changes in our society. We thought that the process of transformation, once initiated and pursued with fervour, would gather momentum. But political and economic interests, domestic as well as international, have proved to be formidable obstacles. As the economic struggle becomes more acute, the long suppressed voices of people sharpen, but with every step forward, the resistance of entrenched groups, often aligned with foreign interests, especially the *faceless multinational corporations*, becomes more vehement, unscrupulous and, at the same time, more subtle and even insidious, for it is no longer overt but indirectly subversive and provocative. In India we see these constraints in operation every day. Perhaps this is also the experience of other developing countries. Hence, the removal of poverty depends not merely on capital accumulation, important as it is, but on the generation of conscious political forces to overcome these constraints.

Colonialism has left deep scars of inferiority which become all the more sensitive in the face of the staggering advance of science and technology in the affluent countries. It is right that we acquire knowledge and profit from the experience of others. But in so doing, we should not lose sight of the actual needs of the majority of our people. Technology must not be mere transplantation or widen disparities and impose heavier burdens than our

society is capable of bearing. Step by step we are being pushed in a particular direction, imitating patterns and methods which do not necessarily fit into or benefit our society. The time has come for a re-assessment, not only to avoid the problems created by industrialisation in other countries but more positively to clarify our own goals. For us the question of disparities and inequalities is not academic but one which affects our future, even our survival. The aim of our socio-economic transformation is not merely to augment the Gross National Product or to build consumer societies but to balance growth, social justice and the inculcation of cultural values which are inspired by perception and compassion.

Economic and social development cannot just be a domestic effort for any of us. It has to be a major international concern. We the non-aligned do believe that the fight against poverty demands cooperation in which resources and technology are shared among nations. We are all familiar with the political fluctuations of 'aid'—with unfulfilled expectations and aid-weariness. The hope expressed at the Lusaka Conference that the shortcomings of the First Development Decade would be remedied in the Second has been belied. Since then much has been written about aid for development. Perhaps one of the most interesting has been the Report of the Pearson Commission. It might be worthwhile to remind ourselves of the conclusion reached by the Commission: 'A good deal of bilateral aid has indeed been dispensed in order to achieve short-term political favours, gain strategic advantages, or promote exports from the donor. It is hardly surprising, therefore, that hopes of satisfactory development progress were disappointed.' Subordinating aid policies to foreign policy aims has seldom been a successful exercise.

The rich today have become more preoccupied with themselves and alarmed that the new phenomena of planetary pollution and the shrinking of mineral and fuel resources are shaking the very foundations of their affluence. Although the compulsions of international cooperation demand a revision of old ideas and policies, they cling on. Even at the Lusaka Conference we had noted signs of a weakening of will in the protagonists of the Cold War and their realisation that confrontation was not yielding the results they had expected. Now rigid attitudes have blurred, and a new era of polycentrism and detente has begun. This we warmly welcome.

However, side by side with these favourable developments, there continue to exist areas of instability and conflict, of repression and injustice, of domination and discrimination. Attempts to order the world in the interests of a few countries have not been wholly abandoned. Nuclear stockpiles are increasing. So is the acquisition of conventional armaments, although there is some limitation on strategic weapons because of economic compulsions. We read horrifying reports of experiments in chemical and biological warfare. External interference, coercion and the occupation of the lands of others continue. The deliberate induction of armaments in the name of promoting regional balances and the arming of small nations, beyond the

limits that can be sustained by their own socio-economic structure, all these threaten peace.

In South East Asia, the situation remains still critical. The full implementation of the agreements in Vietnam and Laos and the cessation of all outside interference in Cambodia are essential for peace and stability in that region. The non-aligned nations must together ensure that Vietnam, Laos and Cambodia are allowed to work out their future and that all must respect their sovereignty, territorial integrity, independence and neutrality.

The persistence of colonialism and racialism in Africa is an outrage on humanity. This *anachronistic colonialism* could not have survived without the concealed or open support of their imperialist allies and the sub-imperialist system of South Africa and Rhodesia. The horrors reported from Mozambique and Angola are further tragic chapters in their grim history. We denounce these in the strongest terms. Ways must be found for giving more effective support to the liberation struggles of the peoples of Zimbabwe, Angola, Namibia, Mozambique and Guinea-Bissau.

Indian tradition helps us to look at the world as one, and today science and technology open immense possibilities to transform this dream into reality. How much more necessary it becomes to ensure that various hues of racialism and other forms of narrow-mindedness do not come in the way of man's freedom.

We support the just cause of the Arab people for the return of their occupied lands and for the restoration of the inalienable rights of the people of Palestine. Israel should realise that it cannot purchase security by incurring the hostility of its neighbours. The short-term gain will be a long-term loss.

In our own area, we are striving ceaselessly to clear the old suspicions, to remove the barriers to understanding and to create conditions for an enduring friendship between Bangladesh, Pakistan and ourselves. Last year in Simla and again a few days ago in New Delhi we have signed agreements which incorporate solutions to complex issues. These agreements are important also because, through bilateral discussions, they hold out the hope of peace, on the basis of equality and trust, to 700 million people in the three countries of our subcontinent. We are determined to pursue this goal of reconciliation on our subcontinent.

Moves towards the limitation of nuclear armaments and other weapons of mass destruction are important to the relaxation of tensions. But they do not take us far enough. The total elimination of nuclear weapons and complete disarmament alone can lead to genuine peace. Such disarmament calls for far greater courage and conviction than is now in evidence. We have lent our support to the proposed World Disarmament Conference in the hope that it will be able to generate the will and find a way.

The tendency is to expect instant results from such conferences. We have not come here to negotiate or to settle disputes. The outcome is bound to be intangible but no less substantial: to take back with us a greater understand-

but purely a pact for friendship and peace, and it refers to India's position of non-alignment. The United States government is showing signs of desiring to improve relations with India and we welcome such a trend. China, too, has made it known that she wants to normalise relations with us, but mutual agreement is essential for establishing friendly relations.

QUESTION: China is sceptical about the Asian Collective Security Plan of the Soviet Union. What do you think of this plan?

PRIME MINISTER: India will not associate herself with any treaty which implies a military alliance. But we are interested in economic cooperation. We believe that international cooperation should help strengthen the economies of various countries.

QUESTION: Do you think that the 10th plenary session of the Chinese Communist Party which was held recently has re-affirmed a flexible diplomacy?

PRIME MINISTER: It certainly is a welcome sign that China has abandoned her once rigid attitude and is seeking friendship with various nations. It is true that the Chinese foreign policy has become flexible compared with the one in the past.

QUESTION: India is a member of the ICC (International-Control Commission). What do you think should be done in order to achieve a real solution of the Indo-China problem?

PRIME MINISTER: India has been calling for the ending of foreign intervention in Indo-China and the withdrawal of foreign troops from Indo-China. We believe the only way to solve the Indo-China question is to let the people in the area elect their own government.

QUESTION: Recently, the interference of the United States and China into the Middle East, West Asia and the Indian Ocean increasingly seen in the sale of arms by the United States to Iran and reinforcement of its naval force in the Indian Ocean [sic]. What is your view about this?

PRIME MINISTER: These are questions completely different from each other. As regards the crisis in the Middle East, it has its own cause. The only solution is that Israel should return occupied territory to the Arabs so that the Palestinian refugees may be able to return to their own land, which should be the basic principle for the solution of the Arab-Israel dispute. With regard to the Indian Ocean, we have been making it clear that we are opposed to the presence of any foreign powers in the region. We shall continue to oppose it and try to persuade them to withdraw. The Indian Ocean should be a sea of peace and cooperation.

The Iranian purchase of arms is another question. When large quantities of arms are brought into a country, the question arises against which country are such arms meant to be used? Iran has assured us that India should have no reason for apprehension of Iran unless India attacks Pakistan. When US President Eisenhower gave arms aid to Pakistan, he said that they would not be used against India. But actually they were used against India. Therefore, we are apprehensive

of the sale of arms in bulk to Iran.

QUESTION: There is criticism against the domination of the world by big powers as seen in the summit talks between the United States and China, and those of the United States and the Soviet Union. What is your view about it?

PRIME MINISTER: We do not think that the big powers are trying to dominate the world through their summit talks. Because of our traditional belief that friendly relations among nations should be further promoted, and because we are opposed to the cold war, we welcome these talks between the big powers. In the present world, no big power or group of powers can dominate others. We believe that lasting peace could be made possible only by an international organisation in which all small nations participate.

QUESTION: What measures do you think would be necessary in order to strengthen further the friendly relations between India and Japan?

PRIME MINISTER: We in India have great respect for Japan's economic growth. We expect that Japan should make efforts not only to solve new technological problems with her economic power and ability but also to contribute towards promoting the welfare of people in Asia and the world. We also hope Japan will show greater understanding of our problems and expand cooperation in various fields and at various levels.

22. All India Congress Committee Resolution on the International Situation.*

(Full Text)

The All India Congress Committee places on record its appreciation of the Joint Indo-Bangladesh Declaration of April 17, 1973, which resulted in the signing of the Indo-Pakistan Agreement on August 23, 1973. The implementation of this Agreement will result in the resolution of humanitarian problems arising out of the conflict of 1971. The Joint Indo-Bangladesh Declaration of April 17 separated political considerations from the humanitarian issues, and paved the way for the resolution of these issues. The New Delhi Agreement signed on August 28 envisages the simultaneous repatriation of all Pakistani prisoners of war excepting 195; the repatriation to Bangladesh of all Bengalis in Pakistan; and, initially, a substantial number of Pakistanis now in Bangladesh to Pakistan. The All India Congress Committee believes that this Agreement will be another step in the direction of building a durable peace on the subcontinent, enabling the governments of Bangladesh, Pakistan and India to turn their attention to mutual cooperation in the task of improving the lot of their peoples. The All India Congress Committee hopes that these steps will result in the

**Socialist India* (New Delhi), 22 September 1973, p. 12.

realisation of Jawaharlal Nehru's vision of solving the problems of the subcontinent in friendly consultation without any external interference.

In this context the All India Congress Committee wishes to place on record its appreciation of the policies pursued by the Government of India towards relaxation of tension, as reflected in the unilateral ceasefire of December 18, 1971; the Simla Agreement of July 1972; the delineation of the Line of Actual Control in Jammu and Kashmir; the return of prisoners of war on the Western sector; the return of territories occupied during the December 1971 conflict; and, now, the solution of the humanitarian problems.

The All India Congress Committee also hails the results of the deliberations of the Non-Aligned Summit, held earlier this month in Algiers, in which the Indian delegation led by the Prime Minister played a prominent role. The Foreign Minister was unanimously elected Chairman of the Political Committee. India's own freedom struggle of ten decades, and the tradition of anti-imperialism, our abhorrence of racialism and neo-colonialism impel us to stand shoulder to shoulder with other non-aligned countries, belonging, as they do, to all continents of the world. The All India Congress Committee has viewed with satisfaction the expansion to all continents of the membership of the movement of non-alignment and specially applauds the entry into the movement of our two close and friendly neighbours, Bangladesh and Bhutan. Non-alignment today stands as the expression of our will to be sovereign partners in the Comity of Nations and not be mere objects of imperial history. The All India Congress Committee takes note of the declaration made by the Algiers Summit that while global detente is a positive step towards the establishment of peace, the fact that peoples of the world continue to be confronted with colonialism, foreign domination and occupation, neo-colonialism, imperialism and Zionism, remains an undesirable reality of our age. These factors make it obvious that universal peace is far from assured.

The All India Congress Committee welcomes the decisions taken at the Algiers Conference for building up greater collective self-reliance of non-aligned countries through mutual cooperation in the economic field and hopes that the Action Programme adopted in this context will be implemented. The non-aligned countries have been urged to maintain the unity of developing countries so that their interests can be fully safeguarded. It has also been agreed that developing countries should do everything possible to promote trade among themselves. The establishment of a Fund for development and solidarity has been approved.

The precarious situation in Indo-China despite the Paris Agreement, the conflict in Cambodia, the deterioration of the situation in the Middle-East and the continuing practice of apartheid and repression adopted against the people by the minority government of South Africa and the illegal and racist regime of Rhodesia, giving rise to a new sub-imperialist system in that region, must all cause grave anxiety to the peace-loving

people everywhere in the world.

The Indian National Congress has been consistent in its condemnation of imperialism, colonialism and neo-colonialism and their manifestations in different parts of the world. It reiterates its solidarity with the relentless fight for equality and freedom being waged valiantly by the people of Africa, especially in Mozambique, Angola, South Africa, Zimbabwe, Guinea-Bissau and Namibia and notes with satisfaction that, in several cases, this struggle is meeting with considerable success.

23. Finance Minister Y.B. Chavan's Address to the Committee of Twenty on Monetary Reform, Nairobi, 23 September 1973.*
(Full Text)

The appointment of the Committee of Twenty has aroused great expectations around the world. The year during which the Committee and its Deputies have been at work has been a year crowded with activity. There has been a great deal of turbulence in exchange markets and many people around the world have been hoping that Nairobi will be a milestone and that by then some kind of an outline of an agreement towards the establishment of a monetary system could be agreed upon.

We are now in Nairobi and I do not know if I could say appropriately that we have reached such a milestone. Mr. Morse, his Bureau and the Deputies, who have undoubtedly worked hard, have endeavoured to present to us today an outline which is a good one in its own way, but it is able to record agreements only in a very limited area on the problems involved. I am afraid we have still to reach consensus on the basic features of an adjustment mechanism and the main features of convertibility are still subject to considerable disagreements.

In saying this I am not unaware of the intricacies or complexities of the problems. Unless the major countries are able to reach and accept a compromise on these basic issues, we may not ever be able to find a solution to the problems. And the reaching of such a compromise is only possible if there is political will and vision to find solutions which are in the wider interests of the world economy.

As far as the problems of developing countries are concerned, we had hoped that our participation would ensure an adequate balance to the consideration of problems both of adjustment and convertibility as well as economic development for achieving a high level of equilibrium in the exchange of goods and services between these two wide areas of the world.

But as I watch developments in this direction, Mr. Chairman, I am beginning to be apprehensive of the fact that time and time again problems affecting the interests of developing countries have been more or less by-

*Press Information Bureau, Government of India, New Delhi, 23 September 1973.

passed without sufficient attention being given to them in terms of the importance which belongs to them. I am beginning to contrast in my own mind the devotion to wider economic goals that characterised discussions at Bretton Woods and the considerable emphasis that seems to be given in our present discussions to instruments and mechanisms rather than to goals and objectives of wider economic policy. The world has not only to establish a monetary mechanism but the mechanism itself would serve certain goals and objectives. And these goals should remain consistent with the attainment of high levels of employment, economic growth and development of the world's resources. I am somewhat disappointed by the relative absence of attention to these aspects. This, it seems to me, is in great contrast with the atmosphere that prevailed during the Bretton Woods discussions.

Having said this, Mr. Chairman, I would like to outline very briefly what our own broad approach to these problems is, in the hope that it might be of some help in reaching the kind of outline that we think might be acceptable universally.

Firstly, we feel that all of us should accept the obligations of an adjustment process that balances the interests of nations and the world community. It has to be one which remains consistent with the attainment of wider objectives of economic policy and adjustment at a high level of equilibrium.

Second, we believe that convertibility and stable exchange rates have to be restored in the near future and it is in this area that the greatest compromises are necessary. Any stress on purely nationalistic objectives may have the effect of postponing the realisation of a sound and durable monetary system for many years to come.

Thirdly, we welcome the establishment of an international reserve unit in the form of SDR and we hope that the world would have the wisdom to delink its monetary system from constraints set by the production and value of gold.

Fourth, we would hope that in designing the new monetary system we will not end up in establishing a two-tier monetary society in which some currencies play the role of key currencies and others of their satellites. We would favour a system that would be exclusively centred in the Fund and would be built on SDR as its foundation.

Fifth, I hope that there will be an adequately built-in mechanism for transfer of real resources to developing countries and that such transfer would not be subjected to political and other considerations.

Sixth, I would hope that the new Fund structure will be patterned in a manner that will accord to the developing countries the role that they deserve by their numbers and size in the decision-making process relating to the management of the monetary system.

These, Mr. Chairman, are broadly our general views on the characteristics of a durable monetary system. On specific issues, if I have other comments I would like to come back and indicate to you the position of my country in more detailed terms.

**24. Prime Minister Indira Gandhi's Interview to Mr. Rakoski,
Editor-in-Chief, Polityka Weekly of Poland, 24 November
1973.**

(Excerpts)

QUESTION: What are the prospects of normalising the situation on the Indian subcontinent?

PRIME MINISTER: The Government of India has always believed in friendship with Pakistan not merely because friendship is a good thing but because we feel that friendship with our neighbours and peace on the subcontinent are essential to our progress. Hence in spite of aggression from Pakistan and other provocations we have continued our efforts. After the recent war in 1971, we declared a unilateral cease-fire and withdrew from the territory which we had occupied. Recently we have come to another agreement with Pakistan for the return of prisoners of war. Whenever there has been a deadlock, we have taken the initiative and have tried to find a way out. The latest agreement with regard to the prisoners of war could be signed because of the generosity of Bangladesh. However, the situation is still not normal and the various statements appearing from persons in authority in Pakistan do not help to allay our apprehensions. We shall continue to work for the establishment of normal relationships among the three countries and for closer and mutually beneficial economic and cultural relationships.

QUESTION: The Indo-Soviet Treaty of Friendship completes two years in August. How does the Prime Minister assess its importance especially in terms of Asian security?

PRIME MINISTER: The Indo-Soviet Treaty of Peace, Friendship and Co-operation was concluded at a time when the situation in our part of the world was rather fluid. The Treaty has proved its usefulness by reinforcing our efforts to establish stability on the basis of freedom and justice. The Treaty also gave formal recognition to a situation that already existed in the relationship between our two countries and provides the basis for the further strengthening of our relations in all fields. For example, the economic cooperation between our two countries has grown in the last two years. So has our common striving for rapprochement and peace in the international scene. We have welcomed the numerous initiatives towards detente. It is essential that Asia, which has been the scene of so many wars and confrontations in the last three decades, should also settle down to a period of genuine peaceful co-existence. This will be possible only on the basis of the recognition of the right of each nation to choose its own destiny untrammelled by outside interference. Every nation of Asia should also become economically stronger since economic strength is the best bulwark against interference. Cooperation among the nations of Asia will add to the economic strength of each. It is necessary that such

cooperation should not be aimed against any other country or continent.

QUESTION: What concrete measures can be taken to further strengthen Indo-Polish friendship and cooperation?

PRIME MINISTER: Our people have great admiration for the valour of the people of Poland and the heroism with which they have defended their national honour and identity over the centuries. We are aware of the brilliant intellectual and artistic heritage of Poland and the unlimited sacrifices imposed upon your country during the Second World War. We are happy that since diplomatic relations were established between our two countries, our political, economic and cultural relations have become progressively closer and stronger. Our trade has grown, particularly during the last couple of years. We look forward to other greater technological, commercial and cultural exchanges between our two countries.

Once again I give my warm greetings to the friendly people of Poland and their distinguished leaders.

25. Press Release on the Foreign Aid Agreements Signed by India During the first half of Current Financial Year, New Delhi, 25 November 1973.*

(Full Text)

Foreign aid for which agreements were signed by India in the first six months of the current financial year amounted to Rs. 582.92 crores (\$800.71 million).

The assistance included Rs. 322.20 crores as project aid, Rs. 173.27 crores as non-project aid, Rs. 52.79 crores as debt relief and Rs. 24.65 crores as grant-in-aid.

With \$434 million, IDA's contribution was the largest, followed by IBRD which gave \$70 million.

Details of the agreements signed are as follows:

Name of the Country/Institution	Project	Non-Project	Debt Relief	Grant-in-aid
1. Canada	—	53.97	0.86	16.20
2. France	—	—	9.43	—
3. West Germany	27.94	24.84	43.48	—
4. Italy	—	—	18.75	—
5. Netherlands	24.38	10.50	—	—
6. Sweden	—	14.55	—	17.66
7. UK	—	34.15	—	—
8. IBRD	70.00	—	—	—
9. IDA	334.00	100.00	—	—
Total US \$m	456.32	238.01	72.52	33.86
Rs. crores	332.20	173.27	52.79	24.65

**Foreign Affairs Record*, November 1973, p. 334.

26. Foreign Minister, Swaran Singh's Reply to Debate on International Situation, Rajya Sabha, 6 December 1973.*
(Excerpts)

The House is aware of the reported statements of the Prime Minister of Pakistan during his tour of Pakistan-Occupied Kashmir in early November which were contrary to the aims and objectives of the Simla Agreement, in particular, the provisions regarding non-interference in each other's internal affairs.

On 9 November we had sent an *aide memoire* to the Pakistan Government drawing pointed attention to these statements. We had said that in our view such statements by the highest authority in Pakistan could only cause apprehension among the people and the Government of India regarding Pakistan's intentions about the implementation of the Simla Agreement. Later on 21 November I sent a personal message to Mr. Aziz Ahmed, Pakistan's Minister of State for Defence and Foreign Affairs, wherein I drew his attention to the speeches of the Prime Minister of Pakistan, particularly the speech at Mirpur on 9 November, which had tended to create the impression that he had endorsed the slogans from a section of the crowd which was advocating '*Guerilla Warfare to Liberate Kashmir*'. I asked Mr. Aziz Ahmed to clarify the Pakistan Government's position on this subject so that we could understand where we stood in terms of the Simla Agreement. Mr. Aziz Ahmed has sent me a reply. In his reply which was received towards the end of the last month—his reply is dated 29 November—Mr. Aziz Ahmed has tried to explain that Prime Minister Bhutto's speeches, read as a whole, could not justify the kind of impression we had formed. Regarding Mr. Bhutto's remarks at Mirpur he clarified that the Prime Minister was actually trying to pacify a section of the crowd which was shouting these slogans and was creating a disturbance. He has further said that this is Mr. Bhutto's style of dealing with hecklers. He has further stated that on the other hand Mr. Bhutto has been repeatedly advocating during this tour that war would not resolve the Kashmir issue and that three wars fought during the last twenty-six years had left this issue unresolved. These are the words Mr. Aziz Ahmed has used while making a summary of the general trend of Mr. Bhutto's speeches. According to Mr. Aziz Ahmed, Pakistan Government remains committed to promoting friendship and harmonious relations with India and to implementing the Simla Agreement in letter and spirit. My only comment is that the fact that they are trying to be defensive on this and are trying again to come back to the Simla Agreement is a factor in the situation which we should not ignore. While we have taken note of this clarification, we cannot but express our unhappiness that the Prime Minister of Pakistan should have thought it fit to make remarks in his speeches which violated the

**Foreign Affairs Record*, December 1973, pp. 495-504.

Provisions of the Simla Agreement regarding non-interference in each other's internal affairs. We will, therefore, earnestly hope that Pakistan Government will fulfil the assurance contained in Mr. Aziz Ahmed's letter of 29 November. It is necessary for us not to forget the objective. The objective is clear. We have to stabilise peace. In our relations with Pakistan we have to reverse the trends of confrontation and we are dead earnest to establish good neighbourly relations. And if there are any deviations from the side of Pakistan, it should be our duty to point out those deviations and try to bring them back on to the rails so that they continued to be firm on the Simla Agreement. It is not a very pleasant task. But while dealing with a history of the type that we have had with Pakistan, the main objective has to be kept in view and it is with that objective that we continue to make our efforts.

I would also like to take this opportunity to bring the figures up to date with regard to repatriation of the three categories of persons about which I made a reference in my opening remark. I have got now figures up to 2nd December 1973. The figures available with us till 2 December 1972 are quite impressive and they show that the persons repatriated were as follows:

Prisoners of war and civilian internees in India	30,190
Pakistanis from Bangladesh	22,593
Bangladesh nationals from Pakistan	52,821

The number is well over a lakh and this trend is continuing. My senior brother Shri Awadheshwar Prasad Sinha has pointed out that even this morning it was on the radio that more prisoners of war have gone. It is true that during these three or four days further repatriation has taken place. But I am giving you authentic figures which show that over one lakh persons have already been repatriated.

As the House is aware, we are dealing with three categories of persons—prisoners of war and civil internees in India; Bangladesh nationals in Pakistan; and Pakistani nationals in Bangladesh. The outstanding number is still substantial. It will take some months more before we complete this first phase.

Indian prisoners in Pakistani custody at the time of cease-fire had been repatriated long ago. We had exchanged Pakistani prisoners that came into our custody from Western side with the Indian POWs that were in their custody. It is obvious that there were no Indian prisoners of war on the Eastern side.

A part of the money according to international convention is recoverable and we have reserved our right to claim the expenditure which is recoverable according to international law.

BREZHNEV'S VISIT

The other important point that cropped up during the debate quite naturally was the recent visit to India of His Excellency Brezhnev and also to some

extent reference was made to the visit of Dr. Husak. I would like to say that some of the criticism—although it was very, very mild—that was voiced was not, it appears, based on a correct appraisal of the contents of the various documents that were signed at the end of these visits. I have laid copies on the Table of the House. But, apparently, the critics had other preoccupations and they did not have time to study these documents carefully. Therefore, with your permission, I would like to take this opportunity to pinpoint the salient features of the documents that we signed with the USSR leader. I would divide it into two parts: Political and Economic.

In the political field, the important agreements that have been arrived at may be summarised as follows:

(1) The Soviet Union has paid tributes to India's policy of non-alignment and her valuable contribution to the struggle for peace and against colonialism, neo-colonialism and fascism.

(2) India has welcomed the *detente* between the USSR and the USA, supporting the Soviet efforts in that direction and hoping that this relaxation will further spread to the other parts of the world and bring an end to the nuclear arms race which is a threat to mankind. The House will recall that this is consistent with our well-known position and this answers the alleged inconsistency as pointed out by Dr. Mahavir.

(3) Both sides welcome the process of growing *detente* in Europe and the strengthening of peace in that continent.

(4) Both sides favour the strict and full implementation of the Vietnam Agreement of 27 January 1973, the Agreement that brought about peace in that region and the Laotian Agreement of August 1973, a brief mention of which was made by me in my opening remarks, as well as hope for a just settlement in Cambodia in accordance with the national interests of the people of Cambodia.

(5) On the sub-continent, the Soviet Union reiterated their support for India's well-known policy and initiatives in normalising the situation. Both sides also support the admission of Bangladesh into the UN and recognition of Bangladesh by Pakistan.

(6) On West Asia, both sides agree that durable peace in the region is possible only through the strict implementation of the Resolution of the Security Council which will constitute the most reliable guarantee for the security and respect for the rights of all countries.

(7) The USSR has expressed her readiness to find a fair solution to the question of making the Indian Ocean a 'Zone of Peace'.

(8) Both in the Joint Declaration and in the 15-Year Economic Agreement, the principles of respect for sovereignty, territorial integrity, non-interference in internal affairs, equality and mutual benefit, governing the relations between the two countries have been reiterated. Of course, the support for the liberation struggles, for ending colonialism, for ending racism and ending *apartheid*, has been reiterated.

I have tried to highlight the important political content of this Declaration

and I am sure that even the worst critics will agree, those critics who, I should say, are allergic to the USSR will agree, that all these are very sound principles consistent with our long-standing attitude.

I would like to say that we should not attach any importance to the speculative items that appear not only in 'The London Economist', but also in several other American and West European newspapers and journals. This is the usual kite-flying and there is absolutely no substance. There is absolutely no substance in these suggestions and the documents that we have signed fully demonstrate that any suggestion to the contrary was spread in order to create some sort of misunderstanding between the two friendly countries. We should be cautious about these things. We know our interests and we will reject firmly any attempt to create any differences or misunderstanding. Everybody knows that there is no military content in our friendship with the USSR.

They have never asked and we have never given any facilities in the form of base, naval or otherwise, and all speculation to that effect is totally unfounded and I would reject it with the greatest emphasis at my command.

Now, Mr. Deputy Chairman, I come to the economic content of the agreements that have been signed. These also I will try to summarise in a very brief manner, pointing out various fields in which economic and trade cooperation has been agreed upon.

Under the 15-year Economic and Trade Cooperation Agreement, Indo-USSR cooperation and collaboration in the following fields will grow:

1. In production capacity for iron and steel.
2. Our capacity to produce non-ferrous metals.
3. Prospecting production and refining of oil, natural gas, coal and other essential materials.
4. Power engineering, petro-chemical industries and shipping.
5. Agriculture and training of personnel.

Capacities of existing plants in India, where we have received Soviet assistance, will be expanded and the Soviet Union will also assist in the setting up of new plants.

Production capacities in the Bhilai and Bokaro Steel Plants will expand to 7 and 10 million tonnes per annum respectively. The Mathura oil refinery will have an annual capacity of 6 million tonnes. Copper mining blocks at Malanjkhand will be developed. The Calcutta underground railway project will receive Soviet assistance.

In very specific terms, the Soviet Union has reiterated its commitment to assist us in our achievements of economic self-reliance, particularly in the key industrial sectors. We are also to receive fresh credits from the Soviet Union. The existing credit relations between the two countries are in the process of being improved and streamlined.

As a result of the recent talks, India and USSR have undertaken to increase their bilateral trade turnover between now and 1980 from 50 per cent to 100 per cent. The trade turnover during 1973 has been of the

order of over Rs. 400 crores. It is obvious that the two countries will have to create additional production capacities for meeting the requirements of each other, over a long-term period.

The Agreement on Cooperation between our Planning Commission and the Soviet Planning Commission will assist us in assessing long-term requirements of the Soviet economy in order to increase our export capacities in the required sectors. It will also help us to determine the long-term capacities of Soviet economy in fields and areas of special interest to us, like newsprint, special steel, fertilizers, non-ferrous metals, etc.

Now, I have given these details, because it appears that most of these have not been carefully studied even by very careful Members, particularly those who wanted to criticise these documents.

I was amazed when certain observations were made, quoting copiously from the Parliamentary Committee of Public Undertakings' reports. It is amazing that use has been made of this exercise, with which many of us are familiar, which is undertaken in order to highlight the shortcomings of State undertakings. Any selective quoting or criticism of the shortcomings in one type of project is certainly not the whole picture.

I do not want to compare the progress of plants. Unfortunately, in many spheres, particularly in steel, we faced several difficulties. I was myself in charge of steel for 5 years and it was during my stewardship that the three major plants in the public sector were constructed—Bhilai Steel Plant with USSR's help, then the Rourkela Steel Plant with help from the Federal Republic of Germany and Durgapur Steel Plant with the help of the British.

Now, it is not for me to enter into a full-dress debate about the progress of these steel plants or to compare these three names, Bhilai Steel Plant, Durgapur Steel Plant and the Rourkela Steel Plant. Look at their performance. Look at the total production over a certain period and the ratio of the actual production to capacity and this arithmetic will convince even the hardest critic as to which of the three plants has the best performance. This is a complete answer. I do not want to compare because at one stage, when I was the Steel Minister, somebody asked me: 'Which of the three plants do you think is the best?' My reply was: 'They are like children to me and I have equal love for all the three and I want all the three to prosper.' But the later figures will indicate what the actual arithmetic is. By any comparison, the Bhilai Steel Plant certainly gave the best performance of the three steel plants. We want that the other two steel plants—Rourkela and Durgapur—should also give us good performance. But it so happened that Bhilai did outshine the others in performance and in actual production and even in the economic turn-over. Is it a matter of mere coincidence that out of all these public undertakings, Dr. Bhai Mahavir thought fit only to refer to those projects which have been established with USSR collaboration? Is this the way to treat this Hon. House in order to create an impression as if anything that goes up as a result of collaboration with the USSR is

necessarily something which is defective? I would say that this is a completely wrong way of dealing with such a serious matter. I do not mind if he criticises us inside the country. He is perfectly at liberty to do so. Once when I asked him as to why he was always negative, he said, 'We are in the opposition and we do not want you to remain there.' If this is the attitude, I do not mind. But I would humbly appeal to him and my other colleagues in the Opposition that we should adopt a different attitude when we are discussing international affairs because here it is not only the party that might be ruling suffers, but the country suffers and, therefore, while dealing with international affairs, whether they are political or economic, I would appeal to the Hon. Members to follow the example of other responsible leaders of other parties. Even the leader of the Jan Sangh group has not thought it fit to remain present here although he said he would come.

My point is that the Pandes and Dr. Bhai Mahavirs should also learn some lessons at any rate from other senior colleagues even in opposition because in such matters our love for the country and our patriotism should be the guiding factor and not a desire merely to raise a debate. Drain-inspecting is familiar. This is part and parcel of parliamentary life to drain-inspect. But it injures the national interest and I have no hesitation in saying that this type of selective and disconnected quotations from public documents does definitely distort our image in the international sphere. Therefore, I would very strongly urge that this temptation should be resisted and we should not indulge in this type of criticism.

Sir, these are very basic matters and at this stage I would like to touch upon one point which was raised by the distinguished Member of the Swatantra Party, Prof. Ruthnaswamy. What he said was that the primary attention was to basic industries and the effects of this help were not available to the general people, to the average run of the people, to the agriculturists and the rural population.

I would humbly request him to ponder over this thing. What are the requirements of an agriculturist today? I myself am an agriculturist. I do not know whether Prof. Ruthnaswamy was also a peasant or not. I was born in a small village; I was brought up in a peasant family. And I can tell you the basic requirements of a peasant today, whether he is in Punjab or Haryana or Andhra Pradesh or Maharashtra or Tamil Nadu. His requirement is to modernise agriculture. His basic requirement is that he should get more fertilizer, he should have the benefit of the latest agricultural research, he should have the benefit of pesticides, he should have the mechanical means like tractors, and he should have lift pumps. Can we produce all these basic materials unless we have got steel, unless we have got fertilizers, unless we have got electricity to run the pumps? So, in a sense, the economy is so complicated or so inter-dependent that any basic advance in the rural sector or in the consumer sector is not possible today unless we give attention to the basic requirements.

Even in cottage industries, what do we require? We require machine tools, we require small machines, we require electric power, and we require metals—ferrous and non-ferrous. And the list that I read out shows that attention is going to be given to the production of these, even to expand production of these things. I would like to say that this conflict between the consumer industry and the heavy industry is a slogan about which we should be very, very careful in a developing society. The highly industrialised countries will always continue to din in our ears that we should sleep over the basic industry and we should concentrate on consumer industries. The inexorable lesson of history is that we cannot have worthwhile consumer industries unless we give attention to the basic industries. In fact, one flows from the other. Now I am not adumbrating the general economic policy. But these are the features which should be quite clear to every Hon. Member of this House. They are quite clear to me because I have had the good fortune under the control of this House to handle several economic Ministries. So, for this reason, it is very necessary to give attention to these basic industries—metals, machines, power, fertilizers and chemical industries. Without these, any talk of worthwhile consumer industry is certainly not feasible. And we should also remember that ours is not a country with a small population. We have the responsibility to serve more than 550 million people. Can we serve them with their normal requirements of steel? An agriculturist does require a piece of steel in every plough that he uses. He does require steel when he installs his electric pump. He does require electric power to energize that pump. He does require oil if the electricity is not there to run the pump. So, these are the things about which we are seeking collaboration.

SHRI MAHAVIR TYAGI: The Hon. Minister has put the case very well and very convincingly. But there is one clarification which I would like to have from him. In all these industries and other matters, the Russian experts are invited and they will come. Have you made sure that the financial or other control of these industries would not be interfered with by the Russians?

SARDAR SWARAN SINGH: This is a very valid point. And I would like to say, based on my own experience, that we not only make ample provision for this but we are also very, very jealous to safeguard our right to control the finances and the management. I would like to cite only one example. When I was the Steel Minister, for the Bhilai Plant, a very distinguished steel engineer of very outstanding stature was deputed by the Soviet Union to head the Soviet team. He is so well-known and so outstanding in his own country that today he is the Vice-Prime Minister in the USSR, Mr. Dimshits. In his very first meeting with me, he asked me as to what the organisation was going to be. I told him that I would benefit by his advice and would do whatever he suggested. It is very interesting, he said that he did not want to be involved in any administrative or financial matters which were entirely our own concern. He said that his function

desirous of expanding the base and ambit of our exports—if we want that this should be spread into industrial goods—we must know the requirements of other countries in order to be able to sell those goods.

And it is here that, with the agreement, the two sides will remain in touch with each other in the planning field and in other fields. To know it precisely, it is the field in which we can step up our production which will be acceptable to both. This is a quite straightforward thing. Nothing secret about it and it is rather surprising that anything fishy should be read into it.

Then the usual warning of prophets of doom and despair, what will happen if the things go wrong? I am proceeding on the basis that we will see that the things do not go wrong. It is one of our jobs to see that we proceed correctly. Of course, maybe that things can go wrong and they are able to build up arguments and then say we have told you what will happen. No country can form its opinion on the basis of 'things will go wrong'. It is the function of the Government and the administration to keep their eyes open and see that things do not go wrong and, therefore, to base a policy on such fear and on such suspicion is totally wrong and without any justification whatsoever.

NEIGHBOURING COUNTRIES

Mr. Deputy Chairman, I know that I must finish within the next few minutes. Therefore, I will quickly say a few words more about our neighbours. I did touch upon this matter in my opening remarks as to the policy we have been pursuing over the years, a consistent policy of befriending our neighbours and I can claim that we have succeeded reasonably well in our efforts in this direction. Look at our present relations with Bangladesh—political and economic. Look at the relations between India and Burma. We are quietly discussing rather sensitive matters like demarcation of the boundary. The world does not know about it. We are bilaterally trying to resolve it. There have been exchanges of delegations between Burma and India to strengthen the economic content of our relationship. I myself led such a delegation some time back. There have been exchanges of ministerial delegations in which there were several experts from Burma's side, who spent two weeks in our country. Take our relations with our northern neighbours, Bhutan and Nepal. We have got excellent relations, both in the economic and political fields. Take our relations with Sri Lanka. Notwithstanding the discordant voices that are raised from time to time, it is a fact that we have entered into an agreement which settles the future of a number of persons of Indian origin. Some will get Sri Lanka citizenship, others we have agreed to take back according to the agreed phased programme. These are the bilateral discussions. Take our relations with Afghanistan. We welcome that Afghanistan in their best judgment have decided now to function as the Republic of Afghanistan. We welcome these changes because it is their own

concern. We have excellent relations with Afghanistan. One of their very senior leaders came to India. I myself paid a visit to Kabul only a couple of months back and I was greatly satisfied with the determination of the new Government of Afghanistan to strengthen their sovereignty, their independence and to improve the economic lot of the people in Afghanistan. There is such a complete understanding between us and Afghanistan on all matters.

I want that our relations with other neighbours should also be good and this is the policy we have been consistently pursuing. I have already touched upon our relations with and our efforts to normalise relations with Pakistan, with China. We have every time expressed our desire to improve relations. Well, we have not got 'Kissingers' in India and you will have to be content with what I am because I have to look after the relationship but I would like to assure you that this is a matter perhaps in which some reciprocity is necessary.

KISSINGER'S VISIT

Now about Mr. Kissinger's visit, he is a good friend of mine, I like some of his unorthodox methods but let us not forget—as I reminded Shri Goray because he raised this matter on an earlier occasion also—that it will be wrong to imagine that any great magic was done by Dr. Kissinger's hop from Pakistan to Peking when he undertook his first visit. That was preceded by long years of quiet diplomacy between the two countries. We are perhaps less quiet because we have got near normal relations because we have got embassies of both countries functioning in Peking and in Delhi. We have contacts in other capitals also. So we do not dramatise our relations with China. Only if both countries show reciprocity can relations improve and we shall not hesitate to take advantage of the possibility of improving relations but any over-anxiety or just repeating it *ad nauseam* I am sure will not advance the objective which might be before some of the Hon. Members.

WEST ASIA

Having said this I would like to reiterate our clear policy on West Asia because that was again a matter which was touched upon in rather a circuitous manner by some of the critics. This is an area of conflict and we have taken a consistent stand. I want to make sure that the strength of our stand is not whittled down by these discordant voices and I would, therefore, like to reiterate our clear position in this respect. As I have already said on two occasions, there are in the West Asia situation some hopeful trends. There is a cease-fire; at the present moment it is there although at times it appears very precarious. On the wider issues of durable peace, negotiations have been taking place in various capitals. There are some hints or suggestions that peace talks might commence shortly. Towards the end of November,

there was an Arab Heads of States and Governments meeting in Algiers, with a view to co-ordinating Arab action towards the just settlement of the West Asia problem. We have been kept in close and constant touch with the situation and our Arab friends have been in constant consultation with us, both in the United Nations and elsewhere, in our capital and in the Arab capitals. We are glad that besides strong diplomatic support we were able to offer some material support to them, and we were able to send some supplies, medicines and doctors, etc., both to Egypt and to Syria.

The military might of Israel, and their temporary successes in 1948, 1956 and 1967, resulted in the long-term considerations of statesmanship being forgotten. We are sorry that after each conflict in the Middle East, in the ensuing negotiations, expediency and the desire to acquire more real estate overshadowed the considerations of justice, equity, peace and stability. The result has been a continuing crisis and a continuing tragedy not only for West Asia but for the entire civilized world.

The arrogance of Israel and the support she has received from her mighty friends, the House is aware, had driven the Palestinians to measures of desperation. Mr. Abraham had rightly drawn attention to the miserable condition of the Palestinians who have been expelled from their homeland in a manner unprecedented in history. Our views on this matter can leave no room for doubt. The rights of the Palestinians must be restored and their homeland assured to them. Our attitude towards this situation in this conflict is based on firm and unalterable principles. These are principles not only of equity and justice and steadfast friendship and solidarity but also principles of international law and behaviour. I can do no better than quote what the Prime Minister has said on this subject. I quote:

Our sympathies for the Arabs are for two reasons. First, they are our centuries old friends and secondly their territories have been occupied following the Israeli aggression. We have certain principles and the whole world knows India has never compromised on principles. Our relations with the Arabs are centuries old and these ties are not frivolous bonds of friendship. They are old and solid. We have always stood for the vacation of territories occupied by aggression, irrespective of the countries involved.

I would like to add one more thought. We are indeed anxious that peace and stability in West Asia are ensured. We are anxious that recourse to the conference table, rather than arbitrament of weapons, should succeed there. Our commitment to justice is there. Our support for the Arabs is well known. To Israel we must sound a note of caution. Israel should draw the lessons of history and should see the writing on the wall. Already in the last few weeks Israel has become more and more isolated in Asia and in Africa, also in Europe. Look at the joint statement issued by the Ministers of the European Community. Look at the last statement issued by Japan. Look at the

several African countries which have broken off diplomatic relations with Israel. This process can go very much further and it will not be in the interests of Israel herself to force the non-aligned countries into taking further steps to ensure justice and peace for the entire region. We must and we shall do all we can to ensure that peace with honour is restored to the West Asian region.

U S A

Sir, now I will say a few words, before I close, about our relations with the United States of America. The House may recall that a little over a year ago, on 30 November 1972, I stated in the Rajya Sabha that we would do everything in our power to normalise and strengthen our relations with the United States on the basis of equality, reciprocity and mutual respect. *I am glad to be able to say that in the post-1971 period both India and the United States have made conscious and deliberate efforts to ensure that our mutual relations improve. I was able in the month of October to have discussions with the new Secretary of State, Dr. Henry Kissinger, in Washington. We have also noted that in his testimony before the Senate Foreign Relations Committee in September, 1973 Dr. Kissinger recognised India's role as of special importance in the developing world whose growth and stability is essential to peace and stability in South Asia. In this connection, it is pertinent to point out that negotiations on settlement of the question of PL-480 funds are making satisfactory progress and we hope that this question would soon be resolved to the mutual satisfaction of the two sides. Our assessment is that Indo-US relations have entered a phase where a constructive, cooperative and mature relationship can be built up between the two countries.*

On two recent occasions we have reiterated that durable peace in this region continues to be the prime objective of our policy, not only in the sub-continent, not only with Pakistan, but peace generally in this region. We are gratified to note that our American friends have a better appreciation of this policy, including the fact that supply of arms to Pakistan, whether directly or indirectly, can be a major element impeding the process of normalisation.

It is our earnest hope that, keeping in view the steady improvement in the situation in the subcontinent, the U.S. Government will take all steps to help the process and not take measures which adversely affect it.

IRAN

Sir, I would now very briefly say something about Iran. I would like to give the information about our relationship with Iran. I am happy to be able to say that the Foreign Minister of Iran, Dr. Abbas Ali Khalatbary, will be with us next week. The House will recall that I had paid a visit to

Iran in July. This should indicate how sustained and continuing the dialogue between Iran and India has all along been. Both Governments believe that there should be a close and continuing dialogue between us. The political, economic, cultural and other relations between India and Iran have been growing satisfactorily. We shall in the very near future be holding another meeting of the Joint Economic Commission in which economic and industrial collaboration will be reviewed and new projects discussed. We consider Iran a neighbour and heir to a common historical, linguistic and cultural heritage. At times some doubts have been expressed either on Iranian motivations towards us or our attitude towards them. I am glad to be able to say that despite such insinuations both countries have not allowed their bilateral relations to be affected. Both Iran and India subscribe to the policy of creating a Zone of Peace in the Indian Ocean free from great power presence and rivalries. In this context of peaceful co-operation, we shall on our side do everything to strengthen our ties with Iran.

Mr. Deputy Chairman, Sir, within the short time at my disposal I have tried to touch upon some important aspects of our foreign policy and I have tried to meet some of the points that have been raised. I hope that the policy which we are pursuing will receive the support of the entire House.

97. Foreign Minister, Swaran Singh's Reply to Debate on International Situation, Lok Sabha, 21 December 1973.*

(Full Text)

We had a full debate yesterday on the international situation and I would, in my reply, endeavour to cover some of the points that have been raised in the course of the debate. Much as I would like to reply in detail to many matters that have been raised by Hon. Members, it will not be possible for me to do so because of paucity of time. But I would like to assure the Hon. Members that I have greatly benefited by their comments and by their observations and I will try to derive the maximum benefit from the mature ideas and suggestions that they have made.

In this debate Members from the Opposition Benches as well as my colleagues from our Party have touched upon some important points.

Almost all the leaders of the Opposition Parties have spoken and some of the doubts that were attempted to be raised on some vital issues have been effectively replied to by my colleagues on this side and my task to that extent has been very much lightened.

BANGLADESH

About the international situation our first thought should go to countries in that region. In this connection, I would like once again to draw the atten-

* *Foreign Affairs Record*, December 1973 pp. 505-516.

tion of the House to the great progress that Bangladesh has made over two years of its sovereign independent existence on 16th December this year. These two years have seen what a tremendous progress in all fields has been made by Bangladesh. Human memory is short but it was just two years ago, on the 16th December, 1971, that Bangladesh emerged as a free independent country. Ten million Bangladesh citizens had taken refuge in India and, according to Sheikh Mujibur Rahman, another twenty million had been displaced from their homes and hearths. All the refugees have gone back. In fact, they returned to Bangladesh before the year 1972 was out and the floating population of Bangladesh is, by and large, now settled and they are pursuing their normal avocation.

These two years have seen Bangladesh adopting a democratic Constitution based on Parliamentary system. They have enforced that Constitution and the elections have been completed; the administration is acting according to the democratic methods with the objective of strengthening democracy and secularism—those processes have taken deep roots in Bangladesh. Sheikh Mujibur Rahman has emerged as the leader who has provided stability and philosophy to the new country, Bangladesh, and we rejoice at the great strides and progress that have been made by the people of Bangladesh.

It is always proper to remember, when we talk of progress, the immense sacrifices which people of Bangladesh have gone through. Many people had to lay down their lives for Bangladesh; our own Indian soldiers, members of the security forces, shed their blood to defend India's sovereignty and also to defend the freedom and sovereignty of Bangladesh. I would like to take this opportunity of paying my homage to the memory of all those who made their supreme sacrifice, who laid down their lives and who underwent many sufferings. The situation in Bangladesh is stabilised in the political sense and the Government and people are now engaged in the mighty task of restructuring their war ravaged economy. They have made considerable progress. Great deal has still to be done and we wish them well. Our friendship with them is of an abiding character and it is a matter of great satisfaction for us to note that Sheikh Mujibur Rahman has, from time to time, made very clear and categorical statements to the effect that Bangladesh friendship with India is the basic cornerstone in the policy of Bangladesh in international affairs and we rejoice to recall this state of happy relationship between Bangladesh and India.

PAKISTAN

Now, coming to Pakistan, I would like to bring the information about our relations up to date. From time to time, I have been keeping the House informed about the salient features of our relationship with Pakistan.

After the signing of the Delhi Agreement, the process of three-way repatriation commenced on the 19th September. Up to the 17th December, a total of 134,328 persons have been repatriated to their respective coun-

tries. This includes as many as 36,474 Pakistani prisoners of war and civilian internees in India. We have every hope in this way of resolving this humanitarian problem affecting so many individuals in a mutually satisfactory manner.

In accordance with the Delhi Agreement, the problem of 195 prisoners of war has to be taken up in a tripartite meeting between Bangladesh, India and Pakistan, it being understood that Bangladesh can participate in such a meeting only on the basis of sovereign equality. Therefore, the ball is in Pakistan's court to create the necessary conditions for Bangladesh's participation so that this matter can be discussed and resolved amicably. For this, it is not necessary to wait till the entire process of repatriation is completed, as it is provided for in para 3(VII) of the Delhi Agreement that this tripartite meeting can take place earlier if it is so agreed.

Now, we have seen reported statements by Pakistani leaders to the effect that Bangladesh cannot be recognised till certain pre-conditions are fulfilled like the return of all war prisoners, presumably including 195 and suspension of proposed trials by Bangladesh. It seems hardly fair on the part of Pakistani leaders to talk of pre-conditions when all these matters were discussed before the Delhi Agreement was signed which provides for a tripartite meeting with the participation of Bangladesh as a sovereign equal. We would, therefore, sincerely hope that the Pakistan Government would see its way to fulfilling its commitment under the Delhi Agreement.

We are glad that Pakistan has at last withdrawn its complaint on the 195 prisoners of war from the World Court. Pakistan should now take action in accordance with the Delhi Agreement.

I have repeatedly said in this House that both India and Pakistan stand committed to the implementation of the Simla Agreement. While we have had occasions to draw the attention of Pakistan Government to some of the statements and actions of their leaders which in our view were not in tune with the spirit and the objective of the Simla Agreement, the Pakistan Government have so far responded by reiterating their faith and their allegiance to this agreement and the principles enshrined in it. The question, therefore, arises, what is preventing the implementation of certain normalisation measures such as resumption of communications, air links, travel, trade and cultural exchanges between the two countries? These are the items mentioned in para 3, discussions on which can begin any time Pakistan desires. We on our side are willing and ready to start these discussions at the earliest moment. On our part, we had made it clear to Pakistan soon after the completion of delineation and withdrawal of troops from occupied territories that we were prepared for bilateral discussions on these issues. Surely, there can be no doubt that it is in the mutual interest of Pakistan and India and in the interest of the vast number of people in the two countries if there is no further delay in this matter and fresh agreements are worked out to resume these links between the two countries in so many fields.

This would also give rise to greater confidence and improve the atmosphere which would facilitate the task of discussing more complicated issues.

I have also seen press reports about the remarks of Pakistani leaders suggesting that India has ignored Pakistan's proposal for reduction of defence forces. This is quite a misleading statement. Pakistani leaders are well aware that Pakistan herself is spending as much as 50 per cent of her national budget and as much as 9 per cent of her GNP (based on last year's budget figures) on military expenditure. Despite her much greater need due to extensive borders, apart from the border with Pakistan and long coastline, India is spending much less proportionately on defence. However, we have never been averse to having any discussion on any subject with Pakistan, but the fact remains that the pre-requisite for meaningful discussions on defence matters is the establishment of durable peace in accordance with the Simla Agreement.

The recent statements of Pakistani leaders on Kashmir to which we had taken exception, her efforts to acquire more and more weapons far in excess of her reasonable requirements, despite the existing high order of military spending and her continued negative attitude on Bangladesh, a reality which Pakistan can ill-afford to ignore, are obvious contradictions in Pakistan's postures on this subject. However, we are always willing and ready, which we have demonstrated on earlier occasions, to take concrete steps for further normalisation of relations between India and Pakistan and for taking steps for establishment of durable peace.

OTHER NEIGHBOURS

Now I will say a few words about our relations with our other immediate or close neighbours. With Nepal and Bhutan, where there are two young Kings looking after these two countries, our relations are excellent. Our economic relations with Nepal are growing from strength to strength, our co-operation with Nepal for strengthening their economy and for providing number of amenities and social services continues, and we have made our contribution to the development of Nepal.

With Bhutan as well we have developed very friendly relation which are in the mutual interest of both Bhutan and India. Bhutan has now been a member of the United Nations for some years and the Bhutanese delegations along with the delegations of other sovereign independent countries, members of the UN, are making their contribution in the international forum in an admirable manner. We wish them every success. We will continue to have friendly relations which are in the mutual interest and benefit of our two countries.

With Burma, we have been able to strengthen our relations even more. I myself, with a high-powered delegation consisting of our representatives from many economic Ministries, paid a visit to Burma and I had for the first time visited places outside Rangoon also. We had the visit of their

Minister who came to India with several other persons dealing with economic matters in Burma, and the Burmese delegation visited several places in our country. It is my expectation that as a result of these contacts our bilateral economic relations, relations in the industrial field, mineral field and so on will be strengthened further. It is a matter of great satisfaction to us that with Burma we have always had very friendly relations and a very friendly border where co-operation and quiet and friendship prevail, and we greatly value our old friendship with Burma.

With Sri Lanka, we have had very good relations. There have been several high level visits, and I would like to inform the House that we are expecting Mrs. Bandaranaike, the Prime Minister of Sri Lanka, to be with us in the month of January, most probably at the time of our Republic Day celebrations. I am sure that this will further strengthen the friendly relations that exist between India and Sri Lanka.

Coming to Afghanistan, I would like to take this opportunity of welcoming the establishment of the Republic of Afghanistan. The President of the new Republic, Sardar Mohammed Daud, is known to us as a great and courageous leader, who was for several years the Prime Minister of Afghanistan. I myself paid a visit to Afghanistan in return for a visit that had been undertaken by a very high-powered political leader of Afghanistan to India. I was greatly struck by the determination of the Afghan leadership to strengthen their sovereignty, to strengthen their independence, and to undertake measures which might improve the lot of the people of Afghanistan. Our friendship with our Afghan brethren has been traditional, and we share many ideas in the international field which are identical, and this provides the basis for further strengthening of our relations with Afghanistan.

About Iran, another neighbour on the other side of Pakistan, I need hardly remind the Hon. Members of the ties of history, language and culture with Iran, and I am glad to be able to report to the House that last week we had with us the Foreign Minister of Iran; a cultural agreement was also signed under which our educational and technical exchanges will be further intensified. The fundamental interests of our two countries do not need to come into any conflict or clash. Our discussions with the Foreign Minister of Iran made it clear that both sides can and must work together for ensuring greater stability in our region and in Asia as a whole. Our exchanges of views have led to a far better understanding between us and have removed some misgivings which may in the past have arisen, and such as have appeared in the press also from time to time. This visit and my last visit to Tehran, it is my belief, will result in a future relationship between us on the basis of a clearer appreciation and increased confidence regarding each other's policies and objectives. In the economic field, there is considerable scope for expanding our cooperation. The Joint Economic Commission of the two countries will be meeting in the middle of the next month in Delhi led by a senior Iranian Minister. Collaboration in oil refineries and petrochemicals, we believe, can be brought about to a greater extent

been said. As a matter of fact, I need not say much about this. The outcome of the visit is incorporated in several agreements. I took the earliest opportunity to place those agreements on the Table of the House.

The relationship between India and the Soviet Union ever since our independence has been one of firm friendship, based on principles, and this friendship has stood the test of time. This is the basic thing that we have to remember. It was rather amusing for some Hon. Members to express certain misgivings—and the misgivings are not based on any experience in the past, mind you, but some sort of feeling—that perhaps the relationship is becoming so strong that it may have some implications or become a source of concern to us in the future. This, if I may say, is not a correct way of looking at a problem of this nature. If I may say, experience is the best argument in such circumstances. We have been independent for the last 27 years. Now, during this period, on all vital political issues, we have always had the Soviet support at most critical moments. I need not recount. The important point is that on Kashmir, wherever the question arose in any international forum, including the United Nations, on Goa, on war with Pakistan, on all these political issues, there has been a strong and consistent support of the Soviet Union to us.

Now, I put the question straight: Can you recall any moment where this close relationship may have been used by the Soviet Union to embarrass us on any issue, political or otherwise, either internal or external?

First, on the political issues, it is quite clear that there has been a consistent and clear support from the Soviet Union. Then you take, for instance, the economic issues, their collaboration with us in the economic field, in the establishment of several projects in our country. I myself have been associated with several such projects. Further, you take, for instance, the growing volume of trade between our two countries. In both these fields, they have never tried to impose any pattern in our economic development. They have shown their willingness to cooperate with us, in giving us the equipment, in giving us the technology, in giving us such other help as we require. They have never insisted that we should do it in this form or that form. They have always tried to conform to our suggestions in the establishment of plants, whether it is a steel plant or a heavy electrical plant or it is for the establishment of a power project or it is for search of oil or any other cooperation in the basic industrial fields. How do we then say that they are likely by this cooperation, in any way, to have an influence on us which might be against our interests? This is certainly not the correct way of saying things.

Again, it was said, not perhaps so much by any people here, by many of the Western press people who were indulging in a hobby that when Mr. Brezhnev comes here, he will ask us to sign this or to sign that. I cannot help recounting my own encounter with a group of two such foreign correspondents, very high placed, who came and had an interview with me, about two or three days before the actual date of Mr. Brezhnev's visit. They

asked me, 'What is your expectation? What is going to happen?' I gave them a reply which is known to you and which has been justified by our subsequent experience. Then, at the end, they said, 'Mr. Minister, do you want to give us the impression that our Head Office has spent all the money for us to undertake this journey to India only to hear this sort of thing about it? We can as well know this thing when we are sitting in our offices.' They were out to see something unusual, something spectacular, happening. And the disappointment is that nothing spectacular from their point of view happened which could really form a very interesting or sensational story. We cannot help them if we cannot produce a story which hits their headline according to their own liking.

I would like to say that we should be careful while assessing our relations with such a tried friend as the USSR. We should view it in the proper perspective and try to understand the importance of that relationship.

What is the type of our relationship with the Soviet Union even in the economic field?

I would like to say that we can say with a certain measure of pride that almost anything of importance that we have obtained from the Soviet Union by way of any machinery, say, for a steel plant or heavy electrical factory or most of the other equipment, almost everything, we have purchased at a negotiated price, almost at world price. We are committed to pay for everything that we have purchased from them. It is true that there was a gift on one occasion of certain equipment—I think, the total value was about Rs. 2 crores or something of that order—certain farm machinery when we were starting a new farm, a State farm; we got that free. But our relationship is such that we have purchased all the machinery and we are repaying the amounts.

Take our trade. We get their goods and we are selling our goods at market price. If purchasing goods from any country at a price which is comparable, which is competitive, our paying the price thereof, our getting the price for the goods that we export and their paying us the price for the things that we supply, if this is crossing the permissible limit, then I should say that the real meaning of these expressions has been lost by those people who raised this point. This is the type of relationship between these two countries. I think, it is a clean departure from the type of large gifts that are being floated in the international community in their relationship between several other countries. We have taken a conscious, natural decision of paying for everything that we get, including the defence equipment that we have obtained from the Soviet Union or from certain other countries. I will not have any hesitation to get military equipment which is necessary for our defence and security from any source whatsoever. But we have not accepted any gifts from the Soviet Union in this field. Whatever equipment we have obtained we have paid for it. So, I would like to repudiate, most strongly, any such suggestion. In a growing economic relationship of mutual interest—I repeat, of mutual interest—they are interested in selling their

Zaire (Congo). Then we are expecting the Prime Minister of New Zealand on the 27th of this month. In the month of January we are expecting President Tito as also Mrs. Bandaranaike.

Now, let my friends on the opposite side go over this list and see for themselves what a cross-section of the world it represents—representatives from West European countries, East European countries, our Asian neighbours, friends from Africa and our non-aligned friend like Yugoslavia. So, this is the type of relationship that we develop. To say that we are developing our relations in such a manner that we are concentrating our efforts only in one direction is not correct. While saying that, it will be wrong for us at any time to be on the defensive. While we want to have good relations with all countries, I have always been opposed very strongly to this approach of equi-distance for the sake of equi-distance. We must, as a mature nation, be able to distinguish who are our real friends, who is the friend who has stood with us and which is the friend who will really stand with us. It is this approach which, unfortunately, is sometimes ignored.

ASIAN COLLECTIVE SECURITY

Any country that ignores this fundamental approach is likely to ignore its own interests. Apart from other matters, the interesting topic of Asian collective security has also come up for comments in this House. I was somewhat amused to find that there was a resolution tabled by our comrade, a Member of the Communist Party of India. When the resolution was coming up for discussion, he thought that this was a matter which could perhaps be discussed when the debate comes up. Then, there were several Hon. Members, whom I won't name, all of us know, who were opposing this withdrawal and insisted that it should be discussed.

I am glad that the opportunity has now come for discussing this matter. I would like to make some comments on this in the light of this debate.

The question of the Soviet proposal for Asian collective security had come up in the speeches of various Hon. Members. The General Secretary, Mr. Brezhnev, in his address to Members of Parliament of two Houses had explained the Soviet concept of collective security in Asia.

I need not go into details since most Members present here had listened to Mr. Brezhnev's speech. The operative part of what he had said on the subject was that this is an idea worth discussing with a view to strengthening peace and security in the Asian subcontinent. The present debate may perhaps be regarded as a commencement of discussion on this subject. Hon. Members have commented on this idea and I have benefitted from their views. The emergence of Asia as an area of peace and tranquillity as a result of relaxation of tension is a desirable objective. However, we have to keep in view the situation as it prevails in Asia and the political complexity in the continent of Asia.

The situation in Indo-China has not yet stabilised. In Cambodia, the war

situation is still continuing. In South Vietnam also, there have been allegations of violations of the Paris Agreement. In the Indian subcontinent, the process of normalisation is still to make satisfactory progress. Pakistan continues to pursue the negative policy of not recognising the reality of Bangladesh. In West Asia, the Arab-Israel conflict has reappeared within a period of six years. Arab territory is continued to be occupied by Israel and the Palestinians still remain without a homeland.

Obviously, it will take considerable time to find a solution of all these problems. Moreover, there are two military groupings in Asia—the CENTO and SEATO. All these aspects are not palatable to the people of Asia. We would like these trends to be reversed and mutual confidence to be established. Any proposal which brings about such a result would be welcome to us. Our own thinking is that an adherence to such principles as renunciation of the use of force, peaceful co-existence, respect for sovereignty of all countries, non-interference in internal affairs and broad development of economic and other cooperation on the basis of equality and mutual benefit will assist such a process.

I may assure the House that it is Government of India's belief that an atmosphere of friendship and peace can prevail not by means of military blocs; nor by any system of grouping of countries directed against any other country or group of countries but through goodwill and cooperation. More intensive cooperation in the economic field in the first instance would help in strengthening mutuality of interests amongst countries of the region. These are the objectives that are before us and we believe that if we continue to pursue these objectives, and if we succeed in creating an atmosphere where these objectives are broadly accepted by the countries in the region, there may be an atmosphere of peace and tranquillity in Asia. Historically, let us remember that Europe has taken something like 28 or 29 years before they could convene a conference in Helsinki for the first time, a Conference on Security and Cooperation. It was possible for them to do so after the conclusion of some very important agreements or treaties like the *Moscow Treaty between the USSR and FRG*, and then the various *Treaties and Agreements between GDR and FRG*. It was after all these treaties had been concluded that an atmosphere was created where Europe, East and West, could sit together for the first time and could talk of peace and security, not of wars, not of conflicts but of cooperation. So, we should not be afraid of these ideas merely because they come from one country or another.

In this particular case, this idea comes from the leader of a friendly country, and, therefore, we should view it in the spirit in which it is offered and not try to say that there may be some catch in it or there may be something hidden in it. I think ever since our Independence we have developed enough of maturity and understanding of the complexities of international life and we have to see what is in our best interest and what is in the best interests of Asia, and we should be prepared to study carefully any new ideas that might be floated from any quarter whatsoever.

I would like to recall that our own Prime Minister in her tour of South East Asia had put forward a suggestion for stabilising peace in the South East Asian region, where all the countries in that region could get together and enter into an agreement to respect each other's sovereignty, and this should be guaranteed by other important countries in the region and even outside the region. So, these are the ideas which will continue to be with us and we should try to deal with them in a deep manner, trying to understand the implications thereof, and we should not react in a superficial manner. I cannot understand the arguments put forward by muted critics; I call them muted critics because there is nothing on which they can criticise. If they offer muted criticism, I cannot answer such a criticism. India has demonstrated enough of independence in dealing with such situations and all that I can say is that if earlier experience is any guide, we will certainly look after our best interests.

HUSAK'S VISIT

There was also the visit of the General Secretary of the Communist Party of Czechoslovakia and I would like to say a few words about that visit. Sympathy and friendship between India and Czechoslovakia date back many years before India's independence. Since the establishment of diplomatic relations between India and Czechoslovakia in 1948, there has been a very healthy and positive development of our relations in all fields. High level exchanges of visit have contributed greatly in this regard. As Hon. Members are aware, our Prime Minister had visited Czechoslovakia last year. In May this year, I paid a visit to Prague at the invitation of the Czechoslovak Foreign Minister. Our President had also been in Czechoslovakia in October this year. The visit of Dr. Husak, General Secretary of the Communist Party of Czechoslovakia from December 3 to 9, 1973, is the latest in these high level exchanges of visits. Since this was his first visit to our country, we are glad that he was able to visit some of our cities, Agra, Hyderabad, Bangalore, Trivandrum and Bombay, and to see some of our industrial and cultural centres. We are happy to receive him in our midst since he is known not only for the outstanding leadership which he has given to the Czechoslovak people in their task of socialist construction and for the contribution that Czechoslovakia has made towards strengthening of peace and detente in Europe but also for his humane approach to finding solutions to problems.

In this context, we warmly welcome the signing on December 11 after the return of Dr. Husak to Prague of the Treaty of Normalisation of Relations between Czechoslovakia and FRG by which the Munich Pact has been put out of the way thereby closing once for all the chapter of World War II.

The joint India-Czechoslovakia declaration signed on December 5 has paid a tribute to India's peaceful foreign policy based on non-alignment and the principles of peaceful co-existence. The Czechoslovak side also expres-

sed their appreciation of India's untiring efforts seeking to achieve a durable peace in the Indian subcontinent. India reiterated her appreciation of the constructive role played by Czechoslovakia in promoting peaceful and cooperative relations amongst the States of the European continent.

During Dr. Husak's visit, the third economic cooperation agreement was signed between the two countries on December 5, 1973. Czechoslovakia has agreed to provide fresh credits of the value of Rs 800 million on more favourable terms than the previous Czechoslovak credits—providing for a 15-year repayment period as against the earlier 12 years. Under the agreement, Czechoslovakia has undertaken to continue her assistance in the strengthening of India's industrial base especially in the fields of power generation, electrification of railways, engineering industries and fertiliser production. The bilateral trade turnover is also planned to be increased to Rs. 1500 million in 1974 as compared to Rs. 800 million in 1973.

USA

Sir, I would now like to say a few words about our relations with the United States of America. You will recall that a little over a year ago, on the 30th November, 1972, I had stated in the Rajya Sabha that we would do everything in our power to normalise and strengthen our relations with the United States on the basis of equality, reciprocity and mutual respect.

I am glad to be able to say that in the post-1971 period, both India and the United States have made conscious and deliberate efforts to ensure that our mutual relations improve. I was able in the month of October to have discussions with the new Secretary of State, Dr. Henry Kissinger, in Washington. We have also noted that in his testimony before the Senate Foreign Relations Committee, in September, 1973, Dr. Kissinger recognised India's role as of special importance in the developing world, whose growth and stability is essential to peace and stability in South Asia. We are glad that negotiations for a settlement on the question of PL-480 funds have concluded satisfactorily, and this question has been resolved to the mutual satisfaction of the two countries. We are happy that the US administration showed understanding of our point of view in resolving this problem. It is our assessment that Indo-US relations have entered a phase where a constructive, co-operative, mature relationship can be built up between the two countries. On two recent occasions, we have reiterated that durable peace in this region continues to be the prime objective of our policy not only in the subcontinent, not only with Pakistan, but peace generally in the region.

We are gratified to note that our American friends have a better appreciation of this policy including the fact that the supply of arms to Pakistan, whether directly or indirectly, can be a major element impeding the process of normalisation. It is our earnest hope that keeping in view the steady improvement in the situation in the subcontinent, the US Government will take all steps to help the process and not take measures which may

affect this adversely.

Sir, while on this subject, I would like to mention one point which Shri Unnikrishnan had raised, and that is about the statement made by our ambassador to the United States, Shri T. N. Kaul. I am thankful to Shri Krishna Menon, who is not here today, who was good enough to defend our heads of missions abroad. I would like to fully support every word that Shri Krishna Menon had said; that our ambassadors abroad have been doing excellent work and whatever they do, we as Government are responsible for all that they do. It is better to direct any criticism against us rather than to direct it against individual ambassadors.

We have made further enquiries, and this is what Shri T.N. Kaul stated in the United States. This is what he has reported to me; because he now happens to be in India, we made enquiries from him as to what he said, this is what he has stated. I quote:

India is willing to have foreign investments in India in selected fields on the basis of mutual respect and mutual benefit. Such investments would be desirable particularly in fields which are export-oriented, import substitution oriented, or where they provide advanced and sophisticated science and technology which India does not possess at present. Each case will be considered on its merits.

I would like to say that there is nothing objectionable in this statement of our policy which is well known. We are interested in foreign investment in sectors over which we may have control and where the objective is as mentioned in the statement of Ambassador Kaul. We may have differences in the political field with many countries, but we have always endeavoured to keep wherever we can our economic relationship somewhat on a different level compared to our political relationship. Even when the political relations may be somewhat indifferent, we have never hesitated to strengthen the economic relations which, I believe, are in the mutual interest of the countries concerned. This policy continues.

VIETNAM

Hon. Members raised the question of our relationship with Prince Sihanouk and the PRG of South Vietnam. As I have informed the House earlier, these matters have continued to engage Government's attention. Recently the President of PRG, Mr. Tho, with a high level delegation including their Foreign Minister, Madame Binh, transited through Delhi. I had the opportunity of receiving them and having an extremely interesting discussion on the situation in South Vietnam in particular and in Indochina in general. We have maintained contact with PRG all throughout and we are considering what further steps we can take in this matter.

CAMBODIA

As far as Cambodia is concerned, we have similarly developed increasingly close contact with Prince Sihanouk. The Prime Minister has spoken to him over the telephone during her visit to Yugoslavia. I have had the opportunity of meeting him and the leaders of his Government during the non-aligned conference in Algiers. The Prime Minister had also met Prince Sihanouk at Algiers. Our permanent delegation in New York has continuously remained in touch with other non-aligned delegations with a view to coordinating their approach during the discussion on the item concerning the recognition of Prince Sihanouk's Government and the question of credentials. The General Assembly has now decided to postpone the matter by one year. Our delegation voted in favour of the delegation of Prince Sihanouk. These are our clear views about the PRG as well as Cambodia.

INDIAN OCEAN

About the Indian Ocean, there is not much I can add to what I have been saying from time to time. This matter is now before the UN and the General Assembly has adopted a resolution favouring the keeping of the Indian Ocean as an area of peace and tranquillity, free from the rivalry of big naval powers and subsequent steps are now being taken in order to implement this general direction given by the General Assembly. I noted with a great deal of interest the observation of Shri Krishna Menon, who appears to have given a great deal of thought to this subject, not only its political aspect but also its juridical aspect. I agree with him fully when he said that in order to keep away outside forces from the Indian Ocean, the countries in the region including India have to strengthen their navies. I fully subscribe to that idea. I would only like to add that his assessment about our present naval strength is somewhat out of date because he has been away from this for 11 years. I think the last war which was forced on us by Pakistan demonstrated the effectiveness of our navy, not only in Chittagong and Khulna but also in Karachi. So, we have travelled a great deal now towards strengthening our navy after 1962. I would like to say that our naval strength will always be used for strengthening peace in this region and it will never be used to the detriment of any other country so that there will be peace and tranquillity in this area.

Mention has been made about the presence of the US task force. On that our view is quite clear. We have told the Americans that this show of force and bringing in of naval units, including aircraft carriers, in this region without any ostensible objective, backed up by statements which are varied from time to time, is naturally something which has caused concern to all littoral countries, including India. We have told the Americans quite clearly that this type of show of force will never be relished by any country in this

region. This is our clear and categorical position.

SHRI SHYAMNANDAN MISHRA: What is the proportion of the presence of the naval strength of the two super-powers in the Indian Ocean?

SHRI SWARAN SINGH: The naval presence in the matter of counting of ships is something about which no ratio can be given at any time because what I try to state today may be completely altered in ten days because the ships continue coming and going. Any assessment of this nature would be unrealistic and would not be a fair assessment at all. We are not in favour of any largescale presence of any outside naval powers, to whatever country it belongs whether to the United States, or the Soviet Union, or France, or China or Britain, or any other country. Our position in this respect is quite clear. Under the present convention, to which we have subscribed and to which Shri Krishna Menon alluded to, the naval ships of any country are entitled to go about in the high seas. At the same time, whatever may be the flaws in the present law, the presence of any naval ships, even though it may be juridically justifiable or based on any such convention and, as such, something to which we cannot legally object, if it creates tension in the region, then the littoral countries in the region are perfectly entitled to raise their voice. We will continue to raise our voice to ensure that the Indian Ocean region is maintained an area of peace and tranquillity.

SHRI SHASHI BHUSHAN: I referred in my speech to the Portuguese Bishop's domination over Goa.

SHRI SWARAN SINGH: Shri Shashi Bhushan mentioned yesterday that the Catholic Bishop in Goa today is in their hierarchy under some Cardinal in Portugal. I must confess that this is a thing which came to my notice only yesterday. I think, on the face of it, this is something undesirable. We will see whatever we can, in consultation with the Christian community in Goa, to ensure that this type of thing is replaced by something which is more palatable to the people in that region.

23. Prime Minister Indira Gandhi's Press Conference, New Delhi, 31 December 1973*.

(Excerpts)

QUESTION: One month ago you signed a series of agreements with Secretary Brezhnev which are principally economic in nature, which drew India closer than ever before to the Soviet Union. I would like to know how does this special relationship with the Soviet Union benefit India both domestically and from India's point of view as a leader of the so-called non-aligned and conversely, what plans, if any, you may have for improving India's economic relationship with the United States and specifically

*Press Information Bureau, Government of India, New Delhi, December 1973.

cally easing the way for American investment in India?

PRIME MINISTER : Firstly, I resent the insinuation that Mr. Brezhnev's visit or the agreements that were signed here in any way impinge on India's non-alignment policy or in her declared policy of being independent in making our own judgments, assessments, decisions and actions.

So far as the specific agreements are concerned, it is obvious that they have offered to help us in areas where we badly need help. We are not going to refuse such help if any other nation wants to give it to us. But we have not begged for help from any nation and each proposal has to be viewed independently, that is, what benefit we are likely to get from it.

We have certainly no objection, in fact we have many times declared that we welcome closer cooperation with the United States of America, but there you have to deal more with private business I suppose, whereas here it has to be done on a Government-to-Government level because they don't have any private business. There is no other way you can get these things from them. But if there are any proposals from the United States which are of benefit to us, we certainly are not going to turn them down.

QUESTION: I want to ask you, following Canada's refusal to supply equipment for the atomic energy projects in India we have placed orders in France. Simultaneously have we also tried to get equipment from the Soviet Union and, if so, have they imposed any conditions?

PRIME MINISTER: Equipment for what?

QUESTION: For atomic energy projects in India from Soviet Union. I was wondering whether you have also tried to get some equipment from the Soviet Union. If so have they also placed some conditions that we should first sign the N.P.T. before they could assist us on a massive scale?

PRIME MINISTER: I do not think we have. I am not very sure on this subject. I do not think we have just now placed any demands on anybody else. Our work is going on more or less satisfactorily at this point. There are certain difficulties because of our not signing the agreement, but on the whole I think it is going on all right. If the need should arise to have some help from other countries it will certainly be considered.

QUESTION: I would like to get your comments on the December 13 agreement that was initialled between India and the United States for the disposal of the PL-480 rupees. Do you anticipate that because of the difficult economic situation in the country right now, there may be some need to re-negotiate again the amount of spending that the American Embassy will be doing during the rest of the course of the existence of remaining rupees?

PRIME MINISTER: I don't think so. This agreement has been reached after many years. And it is always good to get things off the shelf and dispose of them.

QUESTION: Can you comment on the present state of relationship with Pakistan and the prospects?

PRIME MINISTER: Well, I think all of you know the repatriation of prisoners is moving quite fast now. I think, if I am not mistaken, 1,38,000 have gone and the others are moving fast and as soon as this part of it is over then other aspects of the Simla Agreement can also be taken in hand. I think it was in January of this year that I had proposed to Mr. Bhutto that we might go ahead with the other things, i.e., the trade relations and so on.

QUESTION: Regarding talks for resumption of trade and other things, what is the reaction of Pakistan?

PRIME MINISTER: I don't think we have had much reaction.

QUESTION: Is it your suggestion that the talks on these matters can start even before repatriation is completed?

PRIME MINISTER: Well, we made a proposal. Now it is for them to accept it or not to accept it.

QUESTION: Mr. Bhutto is agitating for resumption of diplomatic relations before other relations can be started.

PRIME MINISTER: You know the question is what helps. If there is an atmosphere of friendship and so on then every step you take is a forward step, but merely having diplomatic relations by themselves without the other things I don't think will be very helpful.

QUESTION: Mr. Bhutto is very anxious to invite you to Pakistan. Why don't you oblige him by paying a courtesy call?

PRIME MINISTER: Well, I think that the situation has to improve before we get on to courtesy calls.

QUESTION: I hope your attention has been drawn towards the reports that Pakistan is trying to have defence projects with the help of Gulf States and France. What will the position of Pakistan be after this equipment of their forces and what steps do you propose to take to make India's position better?

PRIME MINISTER: We have already expressed our views on this. Pakistan has, so far as our information goes, replenished its stocks of whatever it had lost in the last war and we have already expressed our views to the various countries concerned that if they continue to accumulate lethal weapons and military equipment, it can be a source of tension and future conflict on our subcontinent. And since everybody says that they want peace on the subcontinent, we sincerely hope that they will look at this problem from that angle.

QUESTION: This morning's papers carry a report that Pravada has claimed that India is supporting the Asian Security pact.

PRIME MINISTER: Well, this question was not raised with me at all. As you know, we believe in bilateral relations as well as multilateral relations between all countries and specially between the countries of Asia. I had first mooted a proposal of setting up this kind of cooperation in Asia. I can-

not remember which year it was but it was quite a long time ago when I was in Australia. I think it was 1968 or so. So we are for any kind of economic cooperation which can strengthen the countries within themselves and strengthen developing countries as a whole.

QUESTION: Madam Prime Minister, I represent Tass News Agency. May I ask what place, according to your opinion, takes the recent visit of the Soviet leader, Leonid Brezhnev, to India among political events in India and in Asia and how do you see the prospects of Indo-Soviet relations and cooperation in the future years?

PRIME MINISTER: Well, as you know, Mr. Brezhnev was very warmly welcomed not only by the Government but by the people of India.

We think his visit was a successful one from our point of view and we think that the talks were useful and valuable to us not only from the point of view of our having the assessment of one of the top leaders of the world of what is happening in different parts of the world and the various crises which are taking place but also from the economic point of view. In the earlier questions there were some questions about the economic agreements which we have made. Now anybody who will read these agreements will see that they are of mutual benefit, that I think, that if they are properly implemented as we have no reason to doubt that they will be, they will be of very great assistance to us in strengthening our economy and I think that in the process we also will be giving some help to the Soviet Union in giving them such articles as they need. So we think it was an important event.

QUESTION: A colleague of mine has earlier briefly referred to the Pravada report about the Asian Collective Security system proposed by Mr. Brezhnev. Now, as you pointed out, it was not discussed at all. But I notice lately that constantly the Soviet Press has been writing in a manner to give the impression that you have become already a part of the security system. Now, would you do something. Since the Russian press is an official press do you propose to take it up so that your non-aligned position is not jeopardised by false propaganda?

PRIME MINISTER: I don't think our non-aligned position is jeopardised by any propaganda, neither by the Indian press nor by the Soviet press, and the propaganda is constantly, I might say, here more than anywhere else.

As I have already said that this is a suggestion about the Asian Collective Security made by one of the top leaders of the world. Obviously he has made the suggestion with a view to seeing how peace can be maintained in Asia. Now, each country, of course, looks at these problems from their own point of view and India has her own point of view which we have very clearly expressed.

QUESTION: There is this well-known adage in international relations that no country is our permanent friend or our permanent enemy. We have contracted with the Soviet Union a treaty lasting for over 20 years. At that time if we have been amending our very Constitution at the rate of at

least once a year, so that have you come to the conclusion that the treaty with the Soviet Union could be firmer; more lasting than the Indian Constitution itself which the President and you are supposed to defend, protect, and all that.

PRIME MINISTER: The Constitution—none of the basic principles of the Constitution—have been amended, we have pledged to this. Now, the long-term treaty with the Soviet Union is on certain basic principles, it is on peace, friendship and cooperation and I sincerely hope and, in fact I am sure, that this basis will not be changed.

Part II

India and the Subcontinent

A. Bangladesh

B. Nepal

C. Pakistan

D. Sikkim

E. Sri Lanka

A. Bangladesh

29. Press Release Issued on Prime Minister Indira Gandhi's Message of Congratulations to Sheikh Mujibur Rehman, Prime Minister of Bangladesh, New Delhi, 8 March 1973.*

(Full Text)

My colleagues in Government join me in sending to Your Excellency and your colleagues our warmest felicitations on your outstanding electoral success. It will always remain a tribute to the people of Bangladesh that so soon after so grim a struggle they have elected the government of their choice by free and popular vote.

We are confident that under your stewardship Bangladesh will march ahead on the path she has chosen for herself. We look forward to working in the closest cooperation with you, your government and the people of Bangladesh for the ideals to which both Bangladesh and India are dedicated.

30. Press Release Issued on the Transfer of Indian Navy Ship to Bangladesh Navy, Vishakhapatnam, 12 April 1973.*

(Full Text)

The Indian Navy's seaward defence craft, I.N.S. AKSHAY, was transferred to the Bangladesh Navy at a colourful ceremony here today.

The Chief of Staff, Bangladesh Navy, Cdr. Nurul Huq, formally accepted the ship from Rear Admiral K.L. Kulkarni, Flag Officer Commanding-in-Chief, Eastern Naval Command, and recommissioned it as B.N.S. PADMA. Addressing the gathering, Cdr. Huq said that the ship and other equipment which he had received were part of the defence aid programme from India for Bangladesh.

Cdr. Nurul Huq said that Bangladesh remembered with gratitude the way in which the Government and people of India had rushed to the aid of Bangladesh when it was in turmoil. Soon after the war, ships of the Indian Navy had helped in mine-sweeping operations in the ports of Bangladesh.

**Foreign Affairs Record*, March 1973, p. 105.

**Foreign Affairs Record*, April 1973, pp. 147-48.

way of negotiations among all the three countries on the basis of sovereign equality of each. They further noted with concern that Pakistan continued to persist in hostility towards Bangladesh and, despite the clear provisions of the Simla Agreement, continued to maintain a hostile attitude against India. The Government of the People's Republic of Bangladesh reiterated their stand that they cannot participate in any discussions with Pakistan at any level except on the basis of sovereign equality.

Despite the difficulties created and hostility manifested by the Government of Pakistan, the Government of India and the Government of the People's Republic of Bangladesh are resolved to continue their efforts to reduce tension, promote friendly and harmonious relations in the subcontinent and work together towards the establishment of a durable peace.

Inspired by this vision and sustained by the hope that in the larger interests of reconciliation, peace and stability in the subcontinent, Pakistan will refrain from persisting in hostility, and bearing in mind the letter and spirit of the *Simla Agreement concluded between India and Pakistan* which Bangladesh had welcomed, the Government of India and the Government of the People's Republic of Bangladesh jointly declare as follows:

Without prejudice to the respective positions of the Government of India and the Government of the People's Republic of Bangladesh, the two Governments are ready to seek a solution to all humanitarian problems through simultaneous repatriation of the Pakistani prisoners of war and civilian internees, except those required by the Government of the People's Republic of Bangladesh for trial on criminal charges, the repatriation of Bengalis forcibly detained in Pakistan and the repatriation of Pakistanis in Bangladesh, i.e., all non-Bengalis who owe allegiance and have opted for repatriation to Pakistan.

The Government of India and the Government of the People's Republic of Bangladesh earnestly hope that Pakistan will respond to the constructive initiative taken by the two Governments to resolve the humanitarian problems in the manner set out in Paragraph 5.

32. Press Release On Assistance to Bangladesh Railways by Indian Railways, New Delhi, 28 April 1973.*

(Full Text)

Agreement on the utilisation of an Indian credit of Rs. 8 crores for the Bangladesh Railways was worked out today by Shri B.S.D. Baliga, Chairman, Railway Board and Mr. A. Samad, Secretary, Bangladesh Ministry of Communications, and leader of the Bangladesh Railway delegation.

This marked the end of discussions between the two delegations which began on April 26, 1973.

**Foreign Affairs Record*, April 1973, p. 149.

The credit of Rs. 8 crores will be utilised for supply of railway stores like bridge girders, permanent way materials, flozilla, including pontoons, passenger jetties, barges, engineering stores, signalling and telecommunications equipment and loco and wagons fittings and also for execution of civil works including restoration of bridges and track and restoration of signalling and telecommunication system.

The stores will be delivered by the Indian Railways to Bangladesh Railways by March next year and the works will be executed by July, 1974.

The credit also covers the stores already supplied to the Bangladesh Railways and works carried out in Bangladesh by the Indian Railways so far.

Among the important items covered by the agreement are the restoration of the Bhairab bridge over the Meghna river which will provide a direct rail connection between Dacca and the Port of Chittagong and doubling of the track on the Hardinge Bridge by July, 1974. The temporary restoration of one line on the Hardinge Bridge has already been carried out by the Indian Railways on October 12, 1972.

An agreement on the inter-change of railway wagons between the two countries was also signed today. It provides for interchange of wagons carrying goods both on Government as well as private account at six points including one near Malda in north Bengal.

33. Press Release Issued on the Extension of the Trade Agreement with Bangladesh, New Delhi, 26 June 1973*.

(Full Text)

The Governments of India and Bangladesh have mutually agreed to extend the Limited Payments Arrangement by three months. The Limited Payments Arrangement, which was hitherto valid upto 27th June, 1973, will continue to be in force up to 27th September, 1973.

The Arrangement which came into force in March 1972 envisages a balanced trade in commodities to the extent of Rs. 25 crores. The contracts registered as on 16th June, 1973 with the State Bank of India for exports to Bangladesh work out to Rs. 21.10 crores. Against this, contracts registered for imports from Bangladesh are of the value of Rs. 22.8 crores.

Important items of export from India are cement, coal, cotton yarn and tobacco. The main items imported from Bangladesh are raw jute, fresh fish, furnace oil, newsprint and low grammage paper.

**Foreign Affairs Record*, June 1973, p. 220.

34. Trade Agreement between India and Bangladesh, Dacca, 5 July 1973.*

(Full Text)

The Government of the Republic of India
and

The Government of the People's Republic of Bangladesh.

Conscious of the urge of the their two peoples to enlarge areas of mutual cooperation;

Desirous of strengthening economic relations between the two countries on the basis of equality and mutual benefit;

Recognising that the common people of both countries should be the beneficiaries of close cooperation between the two Governments in the fields of trade and development;

Aware that this objective can best be secured by organising trade between the two countries on a State-to-State basis as far as possible;

Have agreed as follows:

ARTICLE I

The two Governments recognising the need and requirements of each other in the context of their developing economies undertake to explore all possibilities for expansion and promotion of trade between the two countries on the basis of mutual advantage.

ARTICLE II

The two Governments agree to take appropriate measures in accordance with the evolving international commercial policy for the benefit of developing countries in so far as such measures are consistent with their individual, present and future development, financial and trade needs.

ARTICLE III

The two Governments agree that expansion of their mutual trade exchanges would make an important contribution towards their development. To this end, they agree to take appropriate measures through negotiations with a view to augmenting and diversifying their mutual trade specially in respect of specific products currently or potentially of export interest to them.

ARTICLE IV

The two Governments agree to evolve a system of a Balanced Trade and

*Foreign Affairs Record, July 1973, pp. 269-70.

Payments Arrangement for a specific period and for specified commodities, as may be mutually agreed upon.

ARTICLE V

Imports and exports of commodities and goods produced or manufactured in India or Bangladesh, as the case may be, which are not included in the Balanced Trade and Payments Arrangement and, in the case of commodities and goods included in that Arrangement, imports and exports in excess of the values specified therein shall be permitted in accordance with the import, export and foreign exchange laws, regulations and procedures in force in either country from time to time.

ARTICLE VI

Each Government shall accord to the commerce of the country of the other Government, treatment no less favourable than that accorded to the commerce of any third country.

ARTICLE VII

The provision of Article VI shall not prevent the grant or continuance of

- (a) privileges which are or may be granted by either of the two Governments in order to facilitate frontier trade;
- (b) advantages and privileges which are, or may be, granted by either of the two Governments to any of their respective neighbouring countries
- (c) advantages resulting from a customs union, a free-trade area or similar arrangements which either of the two Governments has concluded or may conclude in the future;
- (d) advantages or preferences accorded under any scheme for expansion of trade and economic cooperation among developing countries, which is open for participation by all developing countries and to which either of the two Governments is or may become a party.

ARTICLE VIII

The two Governments agree to make mutually beneficial arrangements for the use of their waterways, railways and roadways for commerce between the two countries and for passage of goods between two places in one country through the territory of the other.

ARTICLE IX

Each Government will grant merchant vessels of the other country while entering, putting off and lying at its ports the *most-favoured-nation* treatment accorded by their respective laws, rules and regulations to the vessels under the flag of any third country.

Both the Governments agree, on the basis of shippers' preference, to utilise to the maximum extent possible, the vessels owned or chartered by shipping organisations of the two countries concerned for shipping cargoes imported or exported under this agreement at competitive freight rates.

ARTICLE X

The two Governments agree to cooperate effectively with each other to prevent *infringement and circumvention of the laws, rules and regulations* of either country in regard to matters relating to foreign exchange and foreign trade.

ARTICLE XI

The two Governments agree to accord, subject to their respective laws and regulations, reasonable facilities for the holding of trade fairs and exhibitions and visits of business and trade delegations sponsored by the Government concerned.

ARTICLE XII

In order to facilitate the implementation of this Agreement, the two Governments shall consult each other as and when necessary and shall review the working of the Agreement, at intervals of six months.

ARTICLE XIII

This Agreement shall come into force on the twenty-eighth September, 1973. It shall remain in force for a period of three years. It shall continue in force for a further period thereafter by mutual consent subject to such modifications as may be agreed upon.

Done in Dacca on the fifth July, 1973, in two original copies in the English language, both texts being equally authentic.

35. Press Release Issued on the Talks between the Delegations of India and Bangladesh on the Eastern Rivers, New Delhi, 18 July 1973.*

(Full Text)

During the discussions in New Delhi between the delegation from Bangladesh led by His Excellency Khandaker Moshtaque Ahmed, Minister of Flood Control, Water Resources and Power, and the delegation of India led by His Excellency Sardar Swaran Singh, Minister of External Affairs, on the 16th and 17th July, 1973, the Governments of India and Bangladesh reiterated that matters concerning the development of Eastern Rivers which are common to both countries will be settled through mutual discussions with a view to ensuring benefits to the people of both the countries. This will be in accordance with Article 6 of the Treaty of Friendship, Cooperation and peace between the two countries and the statute of the Indo-Bangladesh Joint Rivers Commission.

The discussions dealt mainly with the commissioning of the Farakka Feeder Canal and its impact on Bangladesh. A point of view was expressed in the discussions that the Farakka Project might increase the flood intensity of Padma in Bangladesh by reducing the natural spill discharges into the Bhagirathi. This point was discussed and the Indian side assured the Bangladesh side that the feeder canal and the Jangipur Barrage will be so operated that the Bhagirathi will continue to receive during the monsoon period as much water as before, or more if possible. It was accepted by the Government of India that the Farakka Barrage Project will not increase the flood intensity of Padma in Bangladesh.

There was discussion about the Farakka Barrage Project and its impact on both the countries. It was agreed that the two sides will meet again and continue the discussions with a view to arriving at a solution of the problem. The two sides further agreed that a mutually acceptable solution will be arrived at before operating the Farakka Barrage Project.

36. Minister of State in the Ministry of External Affairs, Surendra Pal Singh's Reply to an Unstarred Question, Rajya Sabha, New Delhi, August 1973.*

(Full Text)

India has so far allocated a sum of Rs. 210 crores as financial assistance to Bangladesh in the form of grants and loans. Details are given in the Annexure hereto.

**Foreign Affairs Record*, July 1973, pp. 270-71

**Foreign Affairs Record*, August 1973, pp. 285-86.

In addition the Government of India has offered special bank credit amounting to Rs. 25 crores for supply of items like railway wagons, coaches, pumps, tube-wells, transmission lines, power equipment, etc. The modalities of these credits have yet to be settled.

The Government of India has further agreed to provide normal banking credits for supply of textiles amounting to Rs. 15 crores. The period of payment is being relaxed up to 365 days.

ANNEXURE

I. GRANTS

	<i>Amounts</i> (Rs. Crores)	<i>Purpose/Project</i>
1. Foodgrains	78.40	For supply of 750,000 tons of foodgrains (100,000 tons of rice and 650,000 tons of wheat).
2. Commodity grant	32.78	For supply of essential goods such as petroleum products, fertilizers, cement, coal, cotton, cotton yarn, drugs and pharmaceuticals, etc.
3. Refugee Relief Grant	18.58	The entire amount has been paid into a nonconvertible rupee account opened by the Bangladesh Bank with the RBI, Calcutta. This amount is being used for purchase of consumer goods and industrial raw materials from India.
4. Second Relief Grant	0.86	For supply of pulses, match boxes, and 20,000 hand pumps.
5. Third Relief Grant	1.36	For supply of shelter material.
6. Restoration of five rail-links in Bangladesh	0.70	—
7. Technical assistance	1.00	This amount will be used for carrying out feasibility studies, making available exports and providing training facilities for Bangladesh nationals in India.
8. Commodity assistance	2.00	For supply of baby foods, pharmaceuticals, raw materials, etc.
9. Unallocated	1.00	Technical and cultural/or commodity assistance.
Total of Serial Numbers 1 to 9	136.74	—
10. Educational and cultural	0.20	—
Grand Total of Grants	138.94	—

II. LOANS

1. For the rehabilitation of the Bangladesh Railway System and for supply of telecommunication and power equipment	10.00	(a) Rate of interest : nil (b) Grace period: 7 years (c) Period of repayment: 18 years
2. For supply of two ships and two aircraft and spares and services related thereto	6.00	(a) Rate of interest: 2½% (b) Grace period: 5 years (c) Period of repayment: 20 years

3. Loan to finance the import of 50,000 tons of crude oil by Bangladesh	8.10	(a) Rate of interest: 6½% (b) Grace period:— (c) Period of repayment: 5 years commencing January 1973.
4. Foreign exchange loan (5 million)	9.50	(a) Rate of interest: 2½% (b) Grace period: 5 years (c) Period of repayment: 15 years commencing 5 years after the date of disbursement.
5. For supply of 150 buses	1.33	(a) Rate of interest: 6% (b) Grace period: 5 years (c) Period of repayment: 10 years commencing from 30th June, 1978.
6. For supply of textile machinery	6.00	(a) Details yet to be worked out (b) — (c) —
7. Supply of commodities yet to be worked out	10.00	This will be utilized in the last quarter of Bangladesh's current financial year (which coincides with our financial year 1974-75) and will be included in our budget estimates for the year 1974-75.
Total	50.93	
III. Miscellaneous expenditure including over-runs, etc.		
Loans and grants	22.13	
GRAND TOTAL :		Rs. 210 crores

B. Nepal

37. Prime Minister Indira Gandhi's Speech on Arrival, Tribhuvan Airport, Kathmandu, 7 February 1973.*

(Full Text)

Rt. Hon'ble Prime Minister, Excellencies, friends :

The Prime Minister Shri Kirti Nidhi Bista's kind invitation has made it possible for me to travel once again to this country of great natural beauty and historical wealth. Nepal is a close neighbour and a good friend. I am glad to be amidst friends.

We deeply mourned the passing away of His late Majesty King Mahendra and we have watched with respect the dedication and energy with which His Majesty King Birendra has borne responsibilities and led his people along the path of progress.

I was last here a little over six years ago. In this period many events have taken place in our two countries and amidst them all we see the steady growth of our respective economies and strengthening of national life. Being neighbours we naturally are keenly aware of each other's problems and achievements. We have a similar cultural background. We share a similarity of outlook in our international policies. We stand for sovereignty and equality among nations. We both subscribe to a policy of non-alignment and peaceful co-existence. Above all we know that international problems can be solved only through friendship, cooperation and peaceful means.

Prime Minister, we had the privilege to welcome you in India some months ago. The discussions we then had gave me a fuller understanding of the goals Nepal has set for herself. I hope you also were able to glimpse something of what we are doing in India. Fortunately, there is no major problem between our two countries. Our relations rest on a foundation of trust and goodwill. I hope that my visit will strengthen that foundation.

Thank you for your welcome. I bring with me the greetings and good wishes of the Government and people of India to his Majesty the King and the Government and people of Nepal.

**38. Prime Minister Indira Gandhi's Address at Lunch given by the
Prime Minister of Nepal, Kathmandu, 7 February 1973.***
(Full Text)

Rt. Hon'ble Prime Minister, Excellencies:

It is a pleasure to be in Nepal once again and have the opportunity of meeting you.

The people and Government of India have always had goodwill for the people of Nepal and regard for the Royal Family. My father and I had the privilege of knowing His Late Majesty King Tribhuvan, whose valiant fight brought Nepal out of the feudal age, and also his Late Majesty King Mahendra, who strove so unrelentingly to lay the foundations of Nepal's progress. His Majesty King Birendra has inherited the challenge, the responsibility—and also the determination—to build a new Nepal and create conditions for the full blossoming of the personality of the people of Nepal.

The relations between our two countries are close and cordial. But goodwill and friendship can never be in surfeit. Visits of governmental leaders help friendship to be enlarged. I am sure, Mr. Prime Minister, that your visit to India some months ago must have enabled you to have a deeper understanding of our work and I hope my journey will also enlarge the area of mutual understanding.

Fortunately, there are no intractable issues or irritants between our two countries. It is obvious that no two countries can agree on every question. Friendship does not mean a total identity of approach. Friendship is a basic framework of regard based on equality and trust in which there is sympathy for each other's difficulties and which enables differences, should they arise, to be settled through discussion and negotiation.

Even countries which are geographically far apart are able to have such understanding of each other's point of view and translate friendship into positive cooperation for mutual benefit. How much more is this necessary between two countries like Nepal and India which share a common border, have grown in the shadow of the Himalayas, venerate the same heroes and heroines of history and legend, and face similar social and economic tasks. We are both developing countries. While each developing country must find strength from within to overcome its problems, cooperation can supplement personal efforts and lighten one's task. It is our privilege to have been of some assistance to you in your country's development. May I assure you that we shall always be ready to share with Nepal and other developing countries what experience and skills we have gained in various fields of economic endeavour.

Although I have been here only a few hours I have noticed the changes that have occurred in Kathmandu. Visitors to India who come after a few years' interval also notice the changes in my country. Apart from these long

* *Foreign Affairs Round*, February 1973, pp. 52-60.

overdue changes in the lives of our peoples, big changes are taking place in the community of nations. In our region of the world a new nation, Bangladesh, has come into being, born out of the courage and sacrifice of its people. Nepal was one of the first countries to realise the significance of the events in that country and to accord formal recognition to its government. In so doing Nepal displayed wisdom and realism. Bangladesh has gone through unbelievable suffering. Today it is facing tremendous challenges of reconstruction in addition to the old challenge of poverty which you and we and all countries of our region have faced in common.

The nations of our region can prosper only by treating one another as sovereign equals and by making a positive effort to convert distrust into trust. This was the spirit which urged our initiative for talks with Pakistan in Simla. We voluntarily offered to withdraw from nearly 5,000 square miles of territory which we had won in the war. We did so not in a passing phase of generosity but out of the conviction that peace is the only practical policy and a recognition of the serious responsibility that we owe to the future. The future is too precious to be jeopardised by past prejudices and animosities or small advantages. Peace in our subcontinent, apart from strengthening each of our nations, will also contribute to peace and stability in Asia and to that extent inhibit military alliances and great power politics. This should be of special interest to our two nations which subscribe to the path of non-alignment.

We are glad that war has ended in a part of Asia which was subjected to much hardship. We hope the cease-fire will lead to a stable peace. At the same time, we regret that while the world is moving towards peace, there is still tension in some parts of Asia. We, however, hope that the prospects of stable peace in Asia would continue to improve.

We in India feel deeply that while modernisation is essential, we should be careful to regulate it in such a manner that it does not make a clean sweep of some of the more desirable elements of tradition along with the outdated ones. Progress cannot be equated with merely the acquisition of goods. Nepal and India have certain great intangible treasures of the spirit which we should be careful not to barter away. The good of the past must be guarded, the evil cast aside.

Excellencies, distinguished guests, I request you to raise your glasses to wish long life, health and happiness to Their Majesties the King and Queen of Nepal, long life to the Rt. Hon'ble Shri Kirti Nidhi Bista and Mrs. Bista, and progress and prosperity to the people of Nepal.

39. Prime Minister Indira Gandhi's Address to the Nepal Council of World Affairs, Kathmandu, 9 February 1973.*
(Full Text)

Mr. President, Excellencies and distinguished guests:

It is a pleasure to address the Nepal Council of World Affairs and to meet so many academic and political leaders of Nepal. It is a great pleasure and privilege to be in Nepal and to have talks with the leaders, especially with His Majesty, who, as you have rightly said, is today the symbol of Nepal's unity, stability and progress. We in India wish all of you and the people of Nepal success and prosperity.

It is natural for the citizens of any country to look at the world from their own national angles. The outlook of the people is conditioned by their own geographical location and distinctive political and cultural history. As you pointed out, Nepal and India belong to the same region of the world and have cherished and shared many common traditions. When our two nations came out of the long period of darkness and political stagnation and emerged as equal members of the family of nations, these historical experiences predisposed us both to adopt policies of friendship with all nations and to remain non-aligned with power blocs and military alliances. The pursuit of these similar policies has brought Nepal and India even closer.

You have spoken, and in other forums there has been mention of, the common traditions and other links which bind India and Nepal together. But the basis of friendship can never be merely such links. It has to be based on present interests and on how we view the future. As I said in one of my speeches yesterday, friendship is a simple thing in a way but it is also very complicated, and like all worthwhile things, it has to be worked for. That is why it must always be renewed in the context of the changing national and international situation. That is why it is important to have meetings between leaders and to have exchanges at other levels so that we renew our friendship keeping in view the changes that are taking place within our own country and outside.

Indian philosophy has always believed in one world. Since Independence we are trying our utmost to work towards it. We know that in many ways the world is coming closer together through science and technology, through cultural exchanges and other efforts. But what we really mean by one world is a feeling of brotherhood between the nations. Today with the power and knowledge which are in the hands of mankind and which are unfortunately still quite often used for destruction, it becomes all the more necessary that we try to create and strengthen these links of friendship between the nations. The realisation that we should help one another did not grow in India only after Independence. It was there even before Independence.

I should like to give two earlier examples of India trying to help other

* *Foreign Affairs Record*, February 1973, pp. 61-64.

countries before Independence even though we ourselves had no resources and we were not independent. At that time India sent (that is, our party, because it was not the Government) a medical mission to help the Government of Spain when there was a civil war there. And our young doctors worked there in extremely difficult conditions. They helped those who were fighting, with medical aid and medicines and so on. Also around that time there was the war in China, and again we sent a medical unit to China. It was supposed to go to Nanking, I think, but when they arrived in China, they felt that the real need was in Yen-an, where Mao tse-tung was with his army. They could not get in touch with us. They took the decision themselves and they marched all the way to Yen-an and they were there with the Eighth Route Army. That army was passing through the most difficult period of its history and of the Chinese struggle. I am merely stating that even at that time, absorbed as we were in our own independence and in our own difficulties, we were not unaware of the difficulties of others and we felt that we had to show our concern and we had to try and share the troubles of other countries because, as we so often said freedom and peace are indivisible.

So far as China is concerned, I think that our friends in Nepal know that in spite of many ups and downs in our relationship, our attitude has been the same. We were, I think, one of the very first Governments to recognise the present Government in Peking. After that we consistently worked and stood for the admission of China into the United Nations. Many people misunderstood our stand. We also had aggression from China on our soil, but we never viewed our relationship with China in an opportunistic manner or confined it to what was happening just at that moment. Even when the Chinese were fighting against us, our basic stand of supporting China's admission into the United Nations remained unchanged for the simple reason that we felt that it was unrealistic to ignore such a large country and that the United Nations could not function if such a large mass of humanity was not represented there. I am giving this merely as an example that we have always tried to assess matters and events independently and have not changed our stand merely because a person happened to oppose us or to be against us.

In the last couple of years, important changes have taken place in this region and in the world. Rigid attitudes are being softened and this change is reflected in a number of instances where confrontation is gradually being replaced by conciliation, animosity by understanding, and conflict by search for cooperation. It is some consolation to us that the steps towards detente are not confined to Europe but are being extended to Asia. The next few months will show whether there has been a firm basis for peace. We can only hope that the truce that has been agreed upon in Paris will open an opportunity for durable peace in Vietnam and other parts of Indo-China. It should be our endeavour to cooperate fully with these nations in the task of reconstruction which awaits them.

I should like to refer to some remarks I made in Delhi which seem to have

attracted adverse notice. Those remarks, or any remarks that I have made, are not against any particular country. They were an assessment of what I think the future could be. We have an example—for instance—at the end of the First World War. Many historians have stated that had the victors of that war shown greater understanding of the situation, there would never have been a Second World War. But because of the attitude at that time, in the peace that was arrived at was born the situation which led to the Second World War. Now this is what I was trying to say in my speech there, that there are some of those elements in this truce agreement. It is obvious that an agreement of this kind is not a simple matter, in fact it is an exceedingly complicated agreement and perhaps nothing else was possible. The remark I made was in no sense a criticism of the Vietnam accord but to point out that there are dangers which face all of us in the future events in South East Asia, and nobody knows what it will lead to. Even with the best of goodwill on all sides things can come about. And if we can see the danger it is only honest on one's part to point it out, because if it does not go right then it is not just one area which will be unhappy but the whole world will be unhappy, and the effects will be widespread.

Apart from this, there was tension in another part of Asia. India being next-door neighbour to Bangladesh and Pakistan, had to share the travails of 1971. We tried to avoid war, and when it was forced upon us, we strove to limit its scope. The moment Pakistanis surrendered in Bangladesh allowing the people of that country to achieve their aspiration, we unilaterally ended our operations on the Western front also and took the initiative, without pride or passion, for talks with President Bhutto. It is our conviction that durable peace can be established only on a footing of goodwill and equality. It was in this belief that we signed the Simla Agreement. Again in Simla, we unilaterally offered to withdraw from territories which had come under our control. The withdrawals have since been completed but the foundations which we had hoped to establish with Pakistan as a prelude to the solution of our problems are still elusive. However, we on our part shall keep on working for it, for the very good reason that the interests of all of us in the subcontinent are complementary. In our scheme for the future, there should not only be sympathy and cooperation but an effective working together to help Bangladesh in the task to rebuild its economy and to solve the other problems common to our subcontinent in a spirit of equality, trust and active friendship.

For many years the very word 'non-alignment' was regarded as somewhat bad and there has been a great deal of misunderstanding and even misinterpretation about it. I have been often asked to explain neutrality. We in India have never been neutral and we think no living person who is interested in what is happening can possibly be neutral in anything. You have a view of everything that happens, whether it concerns you or not, and we think that most things concern almost everybody. When we said we were non-aligned, it meant that we had far too many problems of our own to get

which has also affected several other parts of Asia, our agricultural production has been affected. Although we still estimate a harvest of over 100 million tons of foodgrains, compared to 55 million tons 20 years ago, there is apprehension in the mind of the people. This of course is partly because people need more foodgrains, because the population is larger, but also because vast numbers of people who were not eating wheat and rice all these years now want to eat it. Our people's expectations grow faster than our ability to fulfil them. And, unfortunately the course of development is always such that first benefits go to those who are slightly better off, rather than to those who are in greater need. We feel that growth and development are of utmost importance, but planning can not ignore social justice. Therefore we must pay special attention to the weaker sections of our society. Even in the interest of development one has to see that social justice is done and that the people have a feeling that the development is not for a few sections but that the fruits of development will reach all sections of the people.

It is with this objective that we have undertaken our vast programmes of provision of land, house sites and work for the landless in the countryside. We have embarked upon a programme to curb the concentration of wealth and economic power and to reduce economic disparities in our society through ceilings on land and urban property, progressive taxation and other similar measures. Our Fifth Five-Year Plan will be launched next year. It proposes to take the programmes of social justice a great deal further. Simultaneously, it aims at making fuller use of the potential which we have built and reducing our need for aid.

I am happy to see that in Nepal people are making strenuous efforts for all-round development under the dynamic leadership of His Majesty King Birendra. You have our sincere good wishes for success in your efforts. The bonds of friendship between India and Nepal have their origin in a common cultural heritage and have been enriched in recent years by fruitful cooperation based on equality and mutual benefit.

Once again I express my gratitude to you, Mr. President, and to the Council of World Affairs for giving me this opportunity of addressing this distinguished gathering. Thank you.

40. Prime Minister, Indira Gandhi's Speech at a Banquet, Kathmandu, 9 February 1973.*

(Full Text)

Tomorrow morning my three days' visit to your beautiful country and to your friendly people comes to an end. I should like to take this opportunity of thanking you very much, indeed, for your generous hospitality and for the warmth of the welcome and the friendship which you personally, your Prime

**Foreign Affairs Record*, February 1973, pp. 64-65.

Minister, members of your Government and the people of Nepal as a whole have shown.

In today's world, distance has not much meaning because one can reach out to the farthest corner, and sometimes one does not go so often to the places which are nearest. I know this happens to me in Delhi. I find myself going far more often to the farthest corners of India and not so often to the places in Delhi because we feel that they are very close and one can go there any time, with the result that the visits are postponed.

In today's world, although communication is very much easier and much faster, perhaps for that very reason, we have neglected having deeper relationships. We have lakhs of tourists, but whereas in the olden days people came and stayed and tried to understand the country and the people, today, they want to see as much as possible in one day—they even want to see the whole of India in one day—and many of them go back and write a book immediately. I suppose they do the same about Nepal. In fact, just a little while ago when I was in Bhutan somebody had written a book on Bhutan and His Majesty there said that he had never even come to Bhutan. So, I think, that visits such as the one which your Prime Minister paid to India and this one of mine, will help to deepen the understanding of what the countries are doing now. We know something about past traditions and culture, but the whole world is changing, India is changing and Nepal is changing. And friendship has to be based on these changed circumstances and on what our interests and concerns are today. I believe that our major concern in India and of Your Majesty here in Nepal is to change the life of the people and to help them to take advantage of the science and technology which have changed the nations of the West and some nations of the East. This is one of the greatest challenges which any people or any Government has ever faced. Because we know our own difficulties, we can appreciate yours.

So one of the main objectives of my coming here was not only to deepen friendship, to try and have a better understanding of the new Nepal, but also to bring to Your Majesty, to Her Majesty and to your Government the very good wishes of the Government and people of India in this great responsibility which you are shouldering so ably.

I hope, as I said to Your Majesty, we in India will have the privilege and pleasure of welcoming you both to India whenever you can find time to come there. I think you will find a very warm welcome awaiting you because there is regard for you and affection for the people of Nepal. Mr. Prime Minister, Excellencies, ladies and gentlemen, may I request you to drink a toast to the health and happiness of Their Majesties the King and Queen of Nepal, to the prosperity of the people of Nepal, and to peace and stability in our part of the world.

41. Agreement between Government of India and His Majesty's Government of Nepal Regrading Projects taken up under Additional Assistance Programme Kathmandu, 5 March 1973.*
(Full Text)

The Government of India, hereinafter called 'the G.O.I.', and His Majesty's Government of Nepal, hereinafter called 'H.M.G.',

Being desirous of cooperating with each other in promoting the economic development of Nepal:

Have agreed as follows:

ARTICLE I

The G.O.I. agree to make available funds to the extent of Rs. 4.00 crores (Rupees four crores only), in Indian currency, for the implementation of various development projects as appended herewith, hereinafter called the 'Programme'. This aid will be utilised before March 31, 1973, except for the iodised salt project under the Special Rural Areas Development and the improving and the black-topping of the Kathmandu-Godavari Road Project for which the aid will be utilised before March 31, 1974, and March 31, 1975, respectively. Unspent balance could be utilised by mutual agreement.

ARTICLE II

The Chief Engineer, I.C.M. Highway Projects, will execute the work of improving and black-topping of the Kathmandu-Godavari Road and will submit quarterly expenditure statements to the H.M.G. He will also render accounts to the concerned Accountant General in India for the money spent from the India aid funds. The building/construction works under the Programme will be executed, as far as possible, by the Central Engineering Division. The remaining portion of works including the buildings not taken up by the Central Engineering Division will be implemented by the concerned Ministries/Departments/Agencies of H.M.G.

ARTICLE III

Whereas, generally, the Programme would be in accordance with the projects appended herewith and implemented as indicated in Article II above, any modification and/or addition within the spirit of the Agreement may be made in consultation between H.M.G. and the Indian Cooperation Mission, hereinafter called 'I.C.M.'

ARTICLE IV

The Director, I.C.M. and/or his nominees would act as Advisers to the concerned Ministries/Departments of H.M.G. for the execution of the Programme. They will also be Members of the Committees which have already been formed and/or which would be formed by H.M.G. for the implementation of the Programme in future, except in regard to the Remote Areas Development Committee where they will be invited to attend all the meetings in which projects under this Agreement are considered. The Director and/or his nominees will be consulted in the formulation of detailed plans and periodical progress reports would be made available to them in respect of the Programme executed under this Agreement.

ARTICLE V

H.M.G. will provide the necessary land for the execution of the Programme, free from all encumbrances. The payment of compensation, if any, and the settlement of claims from disputes arising therefrom, will be the responsibility of H.M.G. H.M.G. shall also arrange the supply of timber, sand, stone, limestone and other raw materials, required for the projects, free of royalty, excise duty, licensing fee and other levies.

ARTICLE VI

H.M.G. will provide foreign exchange, if necessary, against the allotments made in Indian currency by the G.O.I.

ARTICLE VII

H.M.G. will ensure that the goods, materials, equipment, machinery and transport, etc., which are brought into Nepal or are moved from one place to another within Nepal for the execution of the projects either by the project authorities or by the contractors employed on the projects, are afforded expeditious movement within the territory of Nepal and are exempt from licensing requirements and from payment of all customs duties, taxes, cesses and levies of any kind. H.M.G. will also ensure that the goods, materials, equipment, machinery and transport, etc., brought into Nepal from India as above will be allowed to be taken back to India when no longer required for the execution of the projects. Exemptions from licensing requirements and from payment of all customs duties, taxes, cesses and levies of any kind shall also extend to the transport and goods for personal use of India-based personnel working for the projects. The principles and procedures regarding the facilities to be extended to the Indian contractors and exemption from import and export duties and other local levies of all supplies, materials, equipment and vehicles, etc., imported for contract work, as worked out bet-

ween the Director, Indian Cooperation Mission, and H.M.G. for the Trisuli Hydel Project will apply *mutatis mutandis* to the projects. This will include exemption from income and other taxes except contract tax.

The contract tax payable by Indian contractors will be collected by the project authorities and credited to project funds under advice to H.M.G.

ARTICLE VIII

The Government of India shall depute adequate number of personnel, e.g., Technical Advisers, Engineers, Overseers, Horticulturists and other technicians, for advising and assisting the respective departments of H.M.G. in the execution of the Programme.

ARTICLE IX

The project authorities or their contractors, shall be allowed to import from India skilled and semi-skilled labour to the extent not available in Nepal. H.M.G. will make arrangements to ensure that the requirements of unskilled labour for the Programme are fully met.

H.M.G. will extend all possible help and cooperation to the project authorities in the maintenance of peaceful labour relations and the safeguarding of the personnel and property of the projects.

ARTICLE X

Contractors of the projects from outside Nepal will be free to import any amount of Indian currency that may be deemed necessary but will convert it into Nepalese currency at legally recognised exchange counters for the transactions inside Nepal for the execution of their work. They will be allowed to repatriate their currency holdings which will be converted into Indian currency by the Nepal Rastra Bank.

ARTICLE XI

H.M.G. will ensure expeditious grant of licences, permits and other such authorisations to enable the project authorities or their contractors to execute work relating to the Programme.

ARTICLE XII

H.M.G. will make necessary security arrangements for the protection of the personnel as well as the materials, equipment, etc., at the various sites of construction and operations, including in transit where necessary.

ARTICLE XIII

In the event of legal action arising from activities undertaken in pursuance of the Programme, H.M.G. will assume full responsibility for the defence of such action in Nepal and will take responsibility for the continued execution of the projects and will assure immunity from garnishment or any other legal process of title to all contributions made for or property and benefits derived from the execution of the Programme.

ARTICLE XIV

The funds provided by the G.O.I. under this Agreement will be utilised for:

- (i) the purchase of equipment essential for the projects required in connection with the execution of the Programme;
- (ii) meeting the expenditure on salaries, allowances and travelling allowances, etc., of the staff employed for the execution of the Programme;
- (iii) meeting the cost of personnel obtained from India to advise and assist in the execution of the Programme; and
- (iv) meeting the expenditure on construction of buildings, roads and bridges.

ARTICLE XV

The expenditure for any purchases made through G.O.I., the expenditure under item (iii) of Article XIV and the expenditure under item (iv) of Article XIV relating to the improving and black-topping of the Kathmandu-Godavari Road will be incurred directly by the I.C.M. and the amounts debited to the aid under this Agreement.

ARTICLE XVI

Any expenditure incurred by the G.O.I. before the signing of this Agreement in pursuance of the implementation of the Programme shall be debited to the over-all aid under the Agreement.

ARTICLE XVII

Subject to the stipulation in Article XIV and XV above, a detailed procedure for the release of funds in respect of the projects taken under the Programme and submission of utilisation certificates shall be determined by the Director, I. C. M. and H. M. G. Secretary in the Ministry of Finance separately.

ween the Director, Indian Cooperation Mission, and H.M.G. for the Trisuli Hydel Project will apply *mutatis mutandis* to the projects. This will include exemption from income and other taxes except contract tax.

The contract tax payable by Indian contractors will be collected by the project authorities and credited to project funds under advice to H.M.G.

ARTICLE VIII

The Government of India shall depute adequate number of personnel, e.g., Technical Advisers, Engineers, Overseers, Horticulturists and other technicians, for advising and assisting the respective departments of H.M.G. in the execution of the Programme.

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ARTICLE XI

H.M.G. will ensure expeditious grant of licences, permits and other such authorisations to enable the project authorities or their contractors to execute work relating to the Programme.

ARTICLE XII

H.M.G. will make necessary security arrangements for the protection of the personnel as well as the materials, equipment, etc., at the various sites of construction and operations, including in transit where necessary.

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In the event of legal action arising from activities undertaken in pursuance of the Programme, H.M.G. will assume full responsibility for the defence of such action in Nepal and will take responsibility for the continued execution of the projects and will assure immunity from garnishment or any other legal process of title to all contributions made for or property and benefits derived from the execution of the Programme.

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ARTICLE XVIII

Arrangements will be made to reflect Indian Assistance under this Agreement in H.M.G.'s budget.

ARTICLE XIX

All the equipment, stores, machinery, etc., left over on completion of the works, will be used only for mutually agreed construction works. All unspent balances and cash advanced by G.O.I. after meeting the liabilities shall either be refunded to the G.O.I. on completion or termination of this Agreement or otherwise disposed of in accordance with a separate Agreement to be entered into for this purpose.

ARTICLE XX

This Agreement shall come into force with effect from the date on which it is signed and will remain in force up to the 31st March 1975, unless terminated earlier by either party giving three months' notice in writing to the other party.

In WITNESS WHEREOF, we, the undersigned, being duly authorised by our respective Governments, have signed the Agreement.

Done at Kathmandu in the English language in four original copies, all of which are equally authentic, on this day of Fifth March, One Thousand Nine Hundred and Seventy Three.

APPENDIX

PROJECTS APPROVED FOR ADDITIONAL ASSISTANCE TO NEPAL DURING
THE YEARS 1967-68 To 1974-75

<i>Provision in Rs. lakhs IC</i>		<i>Provision in Rs. lakhs IC</i>	
I. AGRICULTURE AND ALLIED SCHEMES		II. MINOR IRRIGATION SCHEMES	
1. Purchase and distribution of agricultural seeds	4.45	1. Minor Irrigation	103.70
		2. Tubewells	
III. RURAL DEVELOPMENT SCHEMES		1. Panchayats—construction of small roads, bridges, culverts, drinking water wells, etc.	
2. Purchase and distribution of fruit seeds and plants	6.67		29.63
3. Purchase and distribution of livestock	4.81	2. Bagmati Anchal	22.22
4. Veterinary Schemes	10.00		
	<u>25.93</u>		<u>51.85</u>

	<i>Provision in Rs. lakhs IC</i>		<i>Provision in Rs. lakhs IC</i>
IV. EDUCATION		6. Fencing and Water Supply	0.93
1. Sports Field	2.96	7. Research Block	
2. Students' Club	2.96	(Gandhi Bhawan)	10.37
3. Staff Quarters	5.00	8. Girls' Hostel	3.34
4. Science Block	7.41	9. Married Students' Hostel	4.45
5. Arts Block	44.4	10. Science Equipment	1.48
			<hr/> 43.34 <hr/>
V. SPECIAL RURAL AREAS DEVELOPMENT		3. 15-bedded hospital at Tau- lihawa	3.70
1. Iodised Salt	50.00	4. 15-bedded hospital at Gulmi	4.07
2. Construction of roads, tracks and school build- ings, water supply schemes, health schemes, horticulture, etc.	50.74	5. 15-bedded hospital at Illam	2.22
	<hr/> 100.74 <hr/>	6. Health Centre at Terathum	1.85
		7. 6 Health Posts at Terai	3.34
			<hr/> 24.44 <hr/>
VI. HEALTH SCHEMES		VII. IMPROVING AND BLACK- TOPPING OF KATHMANDU- GODAVARI ROAD	50.00
1. 25-bedded hospital at Dhangadi	4.63	TOTAL	400.00
2. 25-bedded hospital at Rajbiraj	4.63		<hr/>

**42. Joint Statement Issued on the Conclusion of the Visit to Nepal
of an Indian Delegation led by the Minister of Planning, Shri
D.P. Dhar, Kathmandu, 3 May 1973.***

(Full Text)

At the invitation of His Majesty's Government of Nepal, His Excellency Shri D.P. Dhar, the Minister for Planning, Government of India, paid a visit to Nepal from April 29 to May 3, 1973, and held discussions with His Majesty's Government on matters of Nepal-India economic cooperation. Shri D.P. Dhar was assisted by His Excellency Shri L.P. Singh, Ambassador of India in Nepal, Shri M.S. Pathak and Shri B. Sivaraman, Members of Planning Commission of India, Dr. M.S. Swaminathan, Director General, Indian Council of Agricultural Research, Shri L. Kumar and Dr. K.S. Gill, Advisers in the Planning Commission and other officials of the Government of India.

Hon'ble Mr. Hari Bahadur Basnyat, Minister for Food and Agriculture

**Foreign Affairs Record*, May, 1973, pp. 297-8.

of His Majesty's Government of Nepal led the Nepalese side during the talks and was assisted by Hon'ble Dr. H.B. Gurung, Vice-Chairman, National Planning Commission of Nepal, Hon'ble Dr. Badri Prasad Shrestha and Hon'ble Mr. G.P. Lohani, members of the National Planning Commission and other senior officials of His Majesty's Government of Nepal. The talks were held in a friendly and cordial atmosphere.

During his stay in Nepal, His Excellency Shri D.P. Dhar was received in audience by His Majesty the King.

His Excellency Shri D.P. Dhar also called on the Prime Minister Rt. Hon'ble Mr. Kirti Nidhi Bista and the Foreign Minister Hon'ble Gyanendra Bahadur Karki and held discussions with them on matters of mutual interest.

The two sides had wide-ranging discussions on economic, technical and scientific cooperation between the two countries in the fields of planning, agriculture, industries, power and transport. Both Governments have agreed to take a number of concrete steps in these areas, the principal ones being as follows:

The Government of India will purchase Karnali power that may be surplus to the needs of Nepal. Since India will be the purchaser of the bulk of this power it will be fully associated with the formulation of this project. His Majesty's Government of Nepal will constitute a committee of direction, comprising their representatives, a representative of the Government of India and, if His Majesty's Government desires, representatives of international agencies.

The two sides agreed to cooperate in the accelerated development of Nepalese design and construction capabilities for the utilisation of water and power resource of Nepal. The Government of India will assist His Majesty's Government in this and would be prepared to offer facilities for training Nepalese engineers in India.

The Government of India will undertake, in association with experts of His Majesty's Government, survey and construction of the Kathmandu (Dolaghat)-Dhankuta road. The survey and detailed project report will be completed by the end of 1975 and construction work will start soon thereafter.

His Majesty's Government were given the assurance that India is prepared to offer a reasonable price for Nepalese rice imported into India.

His Majesty's Government and the Government of India have agreed to cooperate in a wide range of agricultural research and development activities designed to lead to improvement of cash crops and food crops.

The Government of India will provide assistance to His Majesty's Government in consolidation of present efforts in horticulture development in Nepal giving priority to accessible areas.

The Government of India will in association with experts of His Majesty's Government, undertake a comprehensive study of the development of cement industry in Nepal.

His Majesty's Government and the Government of India will exchange ideas, experiences and information pertaining to development planning and project formulation. The Government of India will also make available such technical advice as may be desired by His Majesty's Government in the field of management of public enterprises.

The Minister of Planning, Government of India, extended an invitation to His Majesty's Government to send a delegation of Members of its Planning Commission to New Delhi for discussions with the Indian Planning Commission. The invitation was accepted by His Majesty's Government. The dates of this visit will be settled later.

43. Prime Minister, Indira Gandhi's Message on the Occasion of the Inauguration of the Nepal Eastern Canal, 3 June 1973.*

(Full Text)

Mountains and rivers have linked the economies of Nepal and India. It has been recognised for a long time that a cooperative approach to the utilisation of the water resources of the two countries will be mutually beneficial. The Gandak project is an example of such cooperation. I am glad to learn that the Nepal Eastern Canal which will provide irrigation for 82,000 acres in Nepal is being formally inaugurated on June 3 and that His Excellency the Prime Minister of Nepal will preside over the function.

It is a privilege for India to have been associated with Nepal in this undertaking. This project will strengthen the existing bonds of friendship between our two peoples and also be of direct daily benefit to a large number of people. I send my greetings and good wishes to the Government and people of Nepal.

44. Ambassador for India in Nepal, L.P. Singh's Speech at a Dinner given in his Honour by the Foreign Minister of Nepal, Kathmandu, 25 August 1973.

(Full Text)

Hon'ble Foreign Minister, Your Excellencies, Ladies and Gentlemen,

My wife and I are most grateful to the Hon'ble the Foreign Minister and Mrs Gyanendra Bahadur Karki for the honour they have done us by giving us this farewell dinner. I am deeply touched by the kind thoughts and sentiments to which the Hon'ble Foreign Minister has given expression to in his speech this evening. I had known for some months that my tenure in this country was coming to an end, and I had started preparing myself

*Foreign Affairs Record, June 1973, p. 254.

Throughout our long history we have never gone out to conquer with the sword. Our tradition has been to go out as friends to share with others our religious and spiritual experience, and our perception of human values. It is these traditions rather than any considerations of expediency which have inspired our dedication to peace, goodwill and cooperation among nations. We have numerous shortcomings, and we have a long way to go. But our inner-most urge is to pursue the ideals and objectives shaped by our historical experience and finer traditions, and re-defined and enunciated by Mahatma Gandhi and Pandit Jawaharlal Nehru.

These being the fundamentals of our outlook and approach, size does not enter into our relations with other countries. We see no virtue in size as such; what matters is the quality of life, and there are remarkable instances in history of small Kingdoms and Republics achieving rare distinction and making some of the greatest contributions to civilisation and culture. We sincerely hope and wish that in coming years Nepal will add new chapters to its glorious history.

Under the leadership of His Majesty the King, Nepal has launched itself on a course of rapid economic development, social change and thoughtful modernisation. Here again, we are in complete harmony with the objectives, and the course which Nepal has chosen for itself. We are happy to extend such cooperation in Nepal's economic development as we are capable of, and as Nepal wishes to have; and we are immensely grateful for the generous cooperation which we have received from Nepal in our own economic development. There is a healthy reciprocity in our economic cooperation, and the resulting benefits are mutual. We welcome whatever steps Nepal takes for accelerating its economic development, whether it be diversification of its trade and economy, or establishing cooperative relations with other countries. What we fervently desire is a strong and prosperous Nepal. In our own interest, as well as in the interest generally of peace and healthy international relations, we want strong, stable and happy neighbours. When it comes to Nepal, an element of strong sentiment is added, for there is no country towards which the Government and the people of India have a warmer, deeper, or more durable feeling of friendship. I sometimes wonder whether the depth and universality of this feeling is always fully realised. In this hard world sentiments and emotions are at heavy discount; and yet I have myself no doubt that, in shaping India's relations with Nepal, no other factor has counted, or will count, more.

There is identity also in the two countries' approach to international relations. We are both non-aligned nations, and even in the changed world situation our faith in the value and validity of non-alignment remains as firm as ever. While the depth of friendship, and extent of cooperation between any two nations are necessarily determined by the degree of reciprocity, there is nothing exclusive or restrictive about India's bilateral friendships. I believe this is true of Nepal as well as of my country. Like Nepal, India firmly believes in non-interference in the internal affairs of other

countries. As our Prime Minister declared a few weeks ago, India has no ideology for export. We are ourselves fully committed to parliamentary democracy, and to the principles and values which go with that form of Government. But it is a system we have freely chosen for ourselves; and its strength lies in the will and faith of our own people. We firmly believe that every country has to determine, out of its own free will, the political institutions and the social system it should have. Any external pressure or interference, open or covert, is wholly wrong, and totally impermissible. We have had the friendliest relations with countries with political institutions and social systems markedly different from our own, as we have had with those with similar institutions and systems. And we shall continue to do so.

As I look at the whole range of our relationships I feel that I have reason to leave this country with the conviction that not only is there no real conflict of interest between Nepal and India in any sphere, but that there is no incompatibility, or even substantial divergence, between the interests of the two countries beyond what is natural and healthy between any two sovereign countries. On the other hand, our interests, particularly in economic matters, have, potentially, a remarkable complementarity, and I have every hope that this will be increasingly recognised in both countries and will become the basis for freely chosen cooperative endeavours. The business of a diplomatist, as I understand it, is not to pursue ruthlessly the interests of his own country, but to seek constantly to harmonise and reconcile the legitimate interests of his own country with those of the host country. During the 27 months or so that I have been here, I have found this task easy beyond all my preconceived expectations. I see no good reason why between Nepal and India it should not always be so.

May I, as I conclude, make a confession? I am leaving behind in Nepal a part of my heart: Wherever I may be, I shall continue to take warm interest in the progress, prosperity and happiness of the people of Nepal.

Ladies and Gentlemen, may I now invite you to drink to the health and happiness of His Majesty the King of Nepal, Her Majesty the Queen, the Hon'ble Foreign Minister, Mrs Karki, and the people of Nepal.

45 President, V.V. Giri's Speech at a Banquet in Honour of the King of Nepal, New Delhi, 12 October 1973.*
(Full Text)

It gives us great pleasure to have Your Majesties with us this evening. Even though you have been here only for a short while, Your Majesty must have noticed the feelings of affection and friendship which our people have for the people of Nepal. I have no doubt in my mind that the oppor-

**Foreign Affairs Record*, October 1973, pp. 368-69.

tunity which Your Majesties have given us to discuss matters of bilateral and international importance, and of seeing our country in the next few days will further strengthen the tradition of understanding and cooperation which has always characterised our relations.

Our common borders across which our peoples have traversed from times immemorial in search of spiritual solace, peace and understanding are open borders of friendship. It is, therefore, in the fitness of things that the leaders of the two countries should have frequent opportunities to meet each other and discuss questions of mutual interest.

Since Your Majesty has been at the helm of affairs of Nepal, you have given a new strength and a new elan to harnessing the development potential of Nepal. The vigour, dynamism and idealism which you have brought to the task of developing your country has elicited the widest admiration. We in India are proud and happy that we, as friends, have been given an opportunity to be involved in the great task of Nepal's economic development. In a sense, this is precisely the task to which we have addressed ourselves in our country. This is all the more reason for our two countries to benefit from each other's experience and to come together to harness our energies in this common endeavour.

May I also take this opportunity to reiterate to Your Majesty our determined resolve to respect the urges and the aspirations of Nepal in the spirit of the time honoured principles of peaceful co-existence. A healthy relationship between two countries, more particularly between neighbours, cannot be developed except when they respect each other's independence, sovereignty and territorial integrity and refrain from interfering in each other's domestic affairs. We have followed these principles scrupulously in our relations with all countries and I would, in particular, like once again to reassure Your Majesty that we would earnestly strive for a future of peace, prosperity and progress of our two nations based on the principles of sovereign equality and mutual respect.

I am gratified to note that our countries have cooperated not only bilaterally but in many international forums, like the UN, its specialised agencies and the non-aligned movement. I believe that this cooperation has advanced the interest of world peace and we on our part look forward to continuing this cooperation.

Our views on various matters of international importance are very similar. Both our countries are playing a useful role in the comity of nations and have an identical approach to such international problems as racialism, colonialism and neo-colonialism, the problems of developing countries, and the reduction of international tensions. Equally, we are disturbed when threats to international peace are generated in any part of the world. We view with grave anxiety the war that is raging in West Asia. My Government is firmly of the view that no nation has the right to retain the fruit of its aggression. Our sympathy and support are fully with the Arab people who have been victims of Israeli aggression. I am sure

Your Majesty will agree that peace can endure only if its foundations are laid on equality and justice. That is the solution towards which all of us have to work, for without it, a patchwork solution will remain precarious, liable to breakdown under the slightest stress.

Closer home, we should not remain content with peace in the subcontinent, but should attempt to invest it with a cooperative effort, to the mutual benefit of all the peoples which inhabit this subcontinent. We hope that all the countries of the region will develop a structure of friendly co-operation in the subcontinent and in this process, our two countries could set both the tone and the pace.

The history of our two nations, Your Majesty, illustrates how, over thousands of years, our peoples have lived in peace and amity, and have shared common values. This is perhaps a unique example in history. Even if at times there have been some differences of perspectives, the fundamental friendship and respect between our two nations have withstood the test of time. This is the relationship that we have to nurture and strengthen as partners in the challenging task of promoting economic development and social justice. In the attainment of these ideals, we feel deeply grateful to have the fullest support of Your Majesty.

May I now request Your Excellencies, Ladies and Gentlemen, to join me in proposing a toast to the health of Their Majesties, to the well-being of the people of Nepal and to the strengthening of friendship between India and Nepal.

46. Joint Statement Issued on the State Visit of their Majesties, the King and Queen of Nepal, New Delhi, 14 October 1973.*
(Full Text)

At the invitation of the President of India, Their Majesties the King and the Queen of Nepal are paying a State visit to India from the 12th to 19th October, 1973. Their Majesties are accompanied by H. E. Mr. Gyanendra Bahadur Karki, Minister for Foreign Affairs, and other officials and dignitaries from Nepal.

2. Their Majesties were greeted with great warmth and affection which underline the close and friendly relations existing between the two countries. This is Their Majesties' first State visit to India after His Majesty ascended the throne. The President and the Prime Minister welcomed this opportunity to renew personal contacts and friendship with Their Majesties and expressed the sincere hope that this visit will further strengthen the existing bonds of friendship between India and Nepal. In Delhi a civic reception was organised in honour of Their Majesties. The Delhi University conferred the Honorary Degree of Doctor of Laws on His Majesty at a

**Foreign Affairs Record*, October 1973, pp. 371-72.

special convocation. The distinguished guests will also visit places of cultural, religious and industrial interest which include Agra, Bangalore, Madurai, Rameshwaram, Madras, Lucknow and Pantnagar.

3. While in Delhi His Majesty had friendly and informal exchange of views with the President, the Prime Minister and the Minister for External Affairs. The talks, which covered a wide range of subjects of bilateral and international importance and were held in an atmosphere of extreme cordiality and mutual understanding, highlighted the community of interest and similarity of approach of the two countries. Both sides agreed that the two Governments should constantly endeavour to strengthen the friendship and deepen the understanding between the two countries and work towards these ends. Both sides reaffirmed their faith in the policies and principles of peaceful co-existence, respect for the territorial integrity of States, non-interference in their internal affairs and non-use of force or threat of force in international relations.

4. Evincing keen interest in the rapid economic and social progress of Nepal the Prime Minister conveyed to His Majesty India's continued desire to be associated with the developmental efforts being so earnestly made by Nepal under the dynamic leadership of His Majesty. His Majesty conveyed his appreciation of India's abiding interest and cooperation in the development of Nepal. His Majesty also acquainted the Prime Minister with the all-round development of Nepal under the present political system.

5. His Majesty had talks on matters of economic and technical cooperation with the Minister for Planning, Minister for Irrigation and Power, Minister of Commerce and the Minister of State for Home Affairs.

6. Both sides expressed satisfaction at the process of detente and reduction of tension in various parts of the world. His Majesty appreciated India's efforts to achieve a durable peace and good-neighbourly relations in the subcontinent and welcomed the India-Pakistan Agreement reached in Delhi in August, 1973. Both sides expressed the hope that, in keeping with the spirit of the Simla and Delhi Agreements, the situation in the subcontinent would further improve in the future. In this context, both sides expressed the need for mutual trust and acceptance and recognition of the realities of the situation.

7. Both sides expressed grave anxiety over the current outbreak of hostilities in West Asia. They called for an early restoration of peace and for a just and enduring solution to the problem in accordance with the principles of the Security Council resolutions on the subject.

8. Both sides re-affirmed the validity and value of the policy of non-alignment in contributing to the strengthening of peace and security and to the economic progress of the developing countries. These were reinforced at the recent Conference of Heads of State and Government of non-aligned countries held in Algiers.

9. Both sides agreed that the friendly exchange of views had helped in promoting fuller understanding and in further strengthening the already

close relations existing between the two countries. They further agreed to maintain contacts at a high level.

10. His Majesty extended a cordial invitation to the President to pay a State visit to Nepal. The President accepted the invitation with pleasure.

C. Pakistan

47. Foreign Minister, Swaran Singh's Statement in Reply to a Calling Attention Notice Regarding the Reported Plans of the USA to Resume Arms Supplies to Pakistan, Rajya Sabha, New Delhi, 14 March 1973.*

(Full Text)

On March 12, Assistant Secretary of State for Near East and South Asian Affairs, Mr. Joseph Sisco, told the House Foreign Affairs Sub-Committee that the United States would like to find a way to fulfil what he called 'long standing arms commitment' to Pakistan which had been suspended since the outbreak of the hostilities in 1971. The Government of India views this development with the utmost concern and is taking up the matter with the United States Government.

It has been our policy to promote peace and good neighbourly relations among the countries of the subcontinent. Despite the 1971 conflict imposed on us, we are making earnest endeavours to normalise relations with Pakistan and to establish durable peace. The Simla Agreement embodies the aspirations of the two nations to live in peace and friendship. The withdrawal of troops, under the Simla Agreement, has already been completed and this has resulted in the lowering of tensions.

The United States intention to resume arms supplies to Pakistan will jeopardize the process of normalisation and adversely affect the chances of establishment of durable peace on the subcontinent. In the light of past record of Pakistan's aggression against India, arms shipments to that country will once again pose a grave threat to India's security.

We have, in recent months, expressed our desire to have friendly and normal relations with the United States of America which has been reciprocated by the United States Government. In my statement in the Rajya Sabha on 30 November 1972, I referred to this desire. However, as I said on that occasion, in the past, US military assistance to Pakistan had been a principal cause of strained relations between India and the United States of America as it encouraged the anti-Indian and militaristic policy of Pakistan. We hope that the United States would carefully consider the implications of such an action and refrain from supplying arms to Pakistan.

**Foreign Affairs Record*, March 1973, pp. 132-33.

48. Foreign Minister, Swaran Singh's Statement in Reply to a Calling Attention Motion Regarding the Decision of the USA to Resume Arms Supplies to Pakistan, Lok Sabha, New Delhi, 15 March 1973.*

(Full Text)

It was officially announced in Washington yesterday by the State Department that with immediate effect the United States is lifting the embargo on the supply of arms to Pakistan. As a result, Pakistan will immediately receive 300 armoured personnel carriers reportedly valued at 13 million, and aircraft engines, military spare parts and parachutes valued at 1.1 million according to US statement. It is clear from the announcement that the United States Government will permit Pakistan to acquire non-lethal military equipment as well as spare parts for lethal weapons given to Pakistan earlier by the United States.

I had reiterated our grave concern yesterday over the American supply of arms to Pakistan and had expressed the hope that the United States Government would carefully consider the implications of such arms supplies and refrain from this action. The Foreign Secretary also conveyed our strong feelings on the subject to the American Ambassador in New Delhi yesterday, as this would have a negative effect on Indo-American relations and on the process of normalisation on the subcontinent. Our Ambassador in Washington is also taking up the matter immediately with the United States Government to convey our grave concern on their decision.

49. Foreign Minister, Swaran Singh's Statement in Reply to the Calling Attention Notices on the Reported Arrest of Bengalis in Islamabad by Pakistan Authorities, Lok Sabha, New Delhi, 9 May 1973.*

(Full Text)

We have heard with deep concern reports emanating from Islamabad that several thousand Bengalis were rounded up suddenly from their homes in Islamabad in the early hours of the morning of 6th May and transported in police trucks and buses to unknown destinations. The press reports indicate that these Bengalis have been taken to internment camps in some obscure places. However, the official spokesman of the Government of Pakistan has tried to explain that the Bengalis have been shifted from their homes 'because of congestion and pressure on official housing in the

**Foreign Affairs Record*, March 1973, p. 132.

**Foreign Affairs Record*, May, 1973, p. 208.

capital'. He also indicated that this was being done in preparation for their ultimate repatriation to Bangladesh.

The President of Bangladesh, Mr. Justice Abu Sayeed Chowdhury, has urged the international community to condemn Pakistan's action in rounding up the Bengalis in Islamabad and has expressed the 'deep concern and anguish' of the Government of Bangladesh on this development. We fully share the anxiety of the Bangladesh Government at the fate of the innocent Bengalis affected by this arbitrary action of the Pakistan Government. Pakistan should bear in mind that actions of this nature, instead of solving the humanitarian problems and ending the suffering of lakhs of people, can only cause further bitterness and retard the process of normalisation in the subcontinent.

Laws of humanity and justice require that persons stranded in foreign countries against their will have the right to return to their homes. The Governments of India and Bangladesh have already indicated in the Joint Declaration of 17 April 1973 a fair and practical way for the immediate and simultaneous resolution of all humanitarian issues arising out of the December 1971 conflict.

It is regrettable that the Pakistan Government instead of seizing the opportunity of bringing about a fair and amicable settlement of the humanitarian problems, should have resorted to forcibly uprooting the Bengalis from their homes and sending them to far off internment camps.

50. Prime Minister Indira Gandhi's Interview to the Australian Broadcasting Commission on the Situation on the Subcontinent, New Delhi, 28 May 1973.*

(Excerpts)

QUESTION: *Mrs. Gandhi, could I now take you on to the subcontinent situation? Madam Prime Minister, there seems to be no progress in efforts to restore normalcy on the subcontinent. What does India believe to be the reason for the continuing deadlock?*

PRIME MINISTER: Pakistan is not responding to the many initiatives which we have taken. You will see that every time there has been, as you say, a deadlock, we have tried to find a way out and taken some initiative and we shall continue to do so.

QUESTION: One of the obstacles—perhaps the major one—appears to be Pakistan and Bangladesh's attitude in determination over the war crimes trials. From your Government's talks with Bangladesh, do you believe there is any chance of Bangladesh compromising its position?

PRIME MINISTER: You see, why should all the time Bangladesh only compromise? Bangladesh has already compromised its attitude. You know

*Press Information Bureau, Government of India, New Delhi, 2 June 1973.

they were, up to March, sticking to the question of recognition, that they would not do anything until Pakistan recognised them. So they have given up quite a lot. They have shown an inclination to compromise and to meet Pakistan half-way. The difficulty is that Pakistan does not respond to any of these initiatives. Every time there has been a deadlock, we have taken some initiative, either on our own or with Bangladesh depending on the issue in question, but we just have not had a positive response. But we would continue to try to find ways out.

QUESTION: Is India trying to persuade Bangladesh to compromise?

PRIME MINISTER: You know, Bangladesh is a sovereign country and I do not think in international affairs people like to be advised by another country. They know what the situation is and we know what it is and I do not think it helps if only one side keeps on compromising. I do not think that will lead to stability or peace.

Major obstacles are not just on this issue or that issue. It is an attitude of mind. As I had said to President Bhutto when we met in Simla that we have to decide basically whether the problems of all the countries of the subcontinent are complementary or conflicting. If you believe that they are conflicting, then we can only have some patch-work; we cannot have genuine peace or friendship. But I believe, and I think Bangladesh leadership believes, that they are complementary, that it is only by working together that the whole area can be stable and strong and meet all its challenges.

QUESTION: Pakistan has taken the issue of the war crimes trial to the World Court now. Does it mean a break-down of the Simla Agreement?

PRIME MINISTER: Well, it is certainly against the spirit and even the letter because the Simla Agreement specifies that we should discuss and solve all these problems bilaterally and through negotiations.

QUESTION: But you are not taking the attitude that Pakistan has broken the Agreement?

PRIME MINISTER: Well, we are not taking an attitude but step by step they are really eroding it. Aren't they?

QUESTION: What attitude will India adopt to the World Court action?

PRIME MINISTER: Well, that we will see.

QUESTION: You have said that 90,000 Pakistani prisoners of war are a financial burden to India. Are they also a political embarrassment?

PRIME MINISTER: No. Why should they be a political embarrassment?

QUESTION: In the sense that it is seventeen months since the war ended.

PRIME MINISTER: Well, have you seen how long the people were held after the Second World War? Much longer—two years and so on, three years even in some places. People seem to apply such different standards to India than what they do to themselves.

QUESTION: Is there anything that India can do to break this deadlock?

PRIME MINISTER: We have done everything. The Simla Agreement meeting was at our initiative. We ended the war unilaterally. We returned the

territories. I mean what single step has Pakistan taken? Not a single response to anything.

QUESTION: Is that the end of the road as far as India is concerned?

PRIME MINISTER: No. I said that we will keep on trying. But it does seem odd to us that all this time, for instance, people talking about the prisoners of war, they were not at all concerned about the much larger number of Bengalis who were in Pakistan. Nobody just mentioned them although their conditions are much worse. And it is a very big problem for Bangladesh.

51. Joint Statement Issued at the End of the Talks between India and Pakistan in Rawalpindi and Islamabad, New Delhi, 31 July 1973.*

(Full Text)

The Minister of State for Defence and Foreign Affairs of the Government of Pakistan, Mr. Aziz Ahmed, and the Special Emissary of the Prime Minister of India, Shri P.N. Haksar, assisted by the delegations consisting of senior officials of the two sides, held talks in Rawalpindi and Islamabad from July 24 to 31, 1973. The Special Emissary of the Prime Minister of India also called on His Excellency Mr. Zulfikar Ali Bhutto, President of Pakistan, on July 27 and 30, 1973.

During the course of these talks which were marked by mutual understanding, the two sides reviewed the progress so far made in the implementation of the Simla Agreement since their last meeting in New Delhi in August 1972. In the context of the normalisation of the situation in the subcontinent, they discussed the humanitarian issues set forth in the India-Bangladesh Declaration of 17 April 1973, namely, the questions of repatriation of Pakistani prisoners of war and civilian internees in India, Bengalis in Pakistan and Pakistan nationals in Bangladesh.

In the course of the talks certain issues arose which required further consideration by both sides. It was, therefore agreed that the discussions will be resumed at New Delhi on 18 August 1973.

52. Minister of State in the Ministry of External Affairs Surendra Pal Singh's Statement in both Houses of Parliament, on talks in Rawalpindi about the India-Bangladesh Joint Declaration, New Delhi, 2 August, 1973.*

(Full Text)

As the House is aware, on 17 April 1973 the Governments of India and

**Foreign Affairs Record*, July 1973, p. 281.

**Foreign Affairs Record*, August 1973, pp. 305-6.

they were, up to March, sticking to the question of recognition, that they would not do anything until Pakistan recognised them. So they have given up quite a lot. They have shown an inclination to compromise and to meet Pakistan half-way. The difficulty is that Pakistan does not respond to any of these initiatives. Every time there has been a deadlock, we have taken some initiative, either on our own or with Bangladesh depending on the issue in question, but we just have not had a positive response. But we would continue to try to find ways out.

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The Minister of State for Defence and Foreign Affairs of the Government of Pakistan, Mr. Aziz Ahmed, and the Special Emissary of the Prime Minister of India, Shri P.N. Haksar, assisted by the delegations consisting of senior officials of the two sides, held talks in Rawalpindi and Islamabad from July 24 to 31, 1973. The Special Emissary of the Prime Minister of India also called on His Excellency Mr. Zulfikar Ali Bhutto, President of Pakistan, on July 27 and 30, 1973.

During the course of these talks which were marked by mutual understanding, the two sides reviewed the progress so far made in the implementation of the Simla Agreement since their last meeting in New Delhi in August 1972. In the context of the normalisation of the situation in the subcontinent, they discussed the humanitarian issues set forth in the India-Bangladesh Declaration of 17 April 1973, namely, the questions of repatriation of Pakistani prisoners of war and civilian internees in India, Bengalis in Pakistan and Pakistan nationals in Bangladesh.

In the course of the talks certain issues arose which required further consideration by both sides. It was, therefore agreed that the discussions will be resumed at New Delhi on 18 August 1973.

52. Minister of State in the Ministry of External Affairs Surendra Pal Singh's Statement in both Houses of Parliament, on talks in Rawalpindi about the India-Bangladesh Joint Declaration, New Delhi, 2 August, 1973.*

(Full Text)

As the House is aware, on 17 April 1973 the Governments of India and

**Foreign Affairs Record*, July 1973, p. 291.

**Foreign Affairs Record*, August 1973, pp. 305-6.

Bangladesh issued a Joint Declaration which contained an offer for the immediate and simultaneous resolution of the humanitarian issues arising out of the conflict of December 1971. The Government of Pakistan sought certain clarifications on the Declaration and for this purpose invited the Government of India to send a Representative to explain the various provisions of the Declaration. However, at the same time the Pakistan Government in its statement of 20 April 1973, came out with certain positions on these humanitarian issues which were not acceptable to the Governments of India and Bangladesh. After an exchange of correspondence between our Foreign Minister and Pakistan's Minister of State for Defence and Foreign Affairs, Mr. Aziz Ahmed, Pakistan indicated its willingness to discuss on the humanitarian basis the repatriation of the three categories of persons mentioned in the Declaration, namely, Pakistani prisoners of war and civilian internees in India, Bangladesh nationals detained in Pakistan and Pakistani nationals in Bangladesh. This exchange of correspondence took place with the knowledge and in consultation with the Bangladesh Government.

A Delegation led by the Special Emissary of the Prime Minister of India, Shri P.N. Haksar, and comprising Shri Kewal Singh, Foreign Secretary, Prof. P.N. Dhar, and senior officials from the Ministry of External Affairs, visited Rawalpindi and Islamabad and held discussions with the Pakistan Delegation from July 20 to July 31, 1973. The Pakistan Delegation was led by Mr. Aziz Ahmed, Pakistan's Minister of State for Defence and Foreign Affairs and included Pakistan's Foreign Secretary, Mr. Agha Shahi, and other senior officials.

During the course of these talks, questions relating to simultaneous repatriation of the three categories of persons mentioned in the Joint India-Bangladesh declaration were discussed in full detail. In the context of normalising the situation in the subcontinent, the two sides also reviewed the progress made so far in implementing the Simla Agreement. The Pakistan side acknowledged the fact that the Joint India-Bangladesh Declaration which had separated political considerations from the humanitarian issues was a step forward and paved the way for an early resolution of these issues. Some progress was made in defining these issues and it was agreed between the two Delegations that a point had been reached where further consideration by both sides was necessary. It was, therefore, agreed that the current discussions be adjourned and later resumed at New Delhi on August 18, 1973.

As the Hon'ble Members will appreciate, in view of the delicate nature of the negotiations and the need for further consultation with the Government of Bangladesh, it will not be in our interest to reveal further details about these talks.

- 53. Press Release on Prime Minister, Indira Gandhi's Message of Greetings to Mr. Bhutto on his Election as Prime Minister of Pakistan, New Delhi, 13 August 1973.***

(Full Text)

On the occasion of your election as Prime Minister, I send Your Excellency my sincere congratulations. It is my earnest hope that with a vigorous and responsive parliamentary system of Government functioning in the countries of this subcontinent, the problems that we face in common will be resolved through goodwill and discussion, and that we should be able to lighten the burden of our peoples.

With regards and good wishes.

- 54. Press Release on the President V. V. Giri's Message of Greetings to H. E. Mr Fazal Ilahi on his Election as President of Pakistan, New Delhi, 14 August 1973.***

(Full Text)

On the occasion of your election to the exalted office of the President of Pakistan, I send, your Excellency, my sincere felicitations and good wishes. I am confident that with goodwill and understanding we can amicably resolve all our mutual problems so that durable peace is established in the subcontinent and we can devote our energies to the well-being and welfare of our peoples.

- 55. Agreement Signed by the Leaders of the Two Delegations at the Conclusion of the Indo-Pakistan talks in New Delhi, 28 August 1973.***

(Full Text)

The Special Representative of the Prime Minister of India, Shri P. N. Haksar, and the Pakistan Minister of State for Defence and Foreign Affairs, His Excellency Mr. Aziz Ahmed, held talks in Rawalpindi from July 24 to July 31, 1973, and in New Delhi from August 18 to August 28, 1973. Shri P. N. Haksar was assisted by Foreign Secretary, Shri Kewal Singh, Secretary to the Prime Minister, Shri P. N. Dhar, Joint Secretaries in the Ministry of External Affairs, Shri K. P. S. Menon, Shri A. S. Chib

**Foreign Affairs Record*, August 1973, p. 306.

**Foreign Affairs Record*, August 1973, p. 306.

**Foreign Affairs Record*, August 1973, pp.306-8.

and Dr. S. P. Jagota, and Deputy Secretaries, Shri K. N. Bakshi and Shri Naresh Dayal. The Leader of the Pakistani Delegation was assisted by the Foreign Secretary, Mr. Agha Shahi, Director General in the Ministry of Foreign Affairs, Mr. Abdul Sattar, and Directors, Mr. Abdul Waheed and Mr. Khalid Saleem. These talks were held in the context of solving the humanitarian problems set out in the Joint Indo-Bangladesh Declaration of 17 April 1973.

2. During the course of the talks both at Rawalpindi and at New Delhi, which were marked by mutual understanding, the delegations of India and Pakistan reviewed the progress so far made in the implementation of the Simla Agreement since they met last in New Delhi in August 1972. The Special Representatives reaffirmed the resolve of their respective Governments expressed in the Simla Agreement that 'the two countries put an end to the conflict and confrontation that have hitherto marred their relations and work for the promotion of a friendly and harmonious relationship and the establishment of durable peace in the subcontinent'. In this connection the Special Representatives were confident that the repatriation of prisoners of war and nationals of Bangladesh and Pakistan will generate an atmosphere of reconciliation and thus contribute to the building of a structure of durable peace in the subcontinent.

3. Desirous of solving the humanitarian problems resulting from the conflict of 1971 and thus enabling the vast majority of human beings referred to in the Joint Indo-Bangladesh Declaration to go to their respective countries, India and Pakistan have reached the following agreement:

- (i) The immediate implementation of the solution of these humanitarian problems is without prejudice to the respective positions of the parties concerned relating to the case of 195 prisoners of war referred to in clauses (vi) and (vii) of this paragraph;
- (ii) Subject to clause (i), repatriation of all Pakistani prisoners of war and civilian internees will commence with the utmost despatch as soon as logistic arrangements are completed and from a date to be settled by mutual agreement;
- (iii) Simultaneously, the repatriation of all Bengalis in Pakistan, and all Pakistanis in Bangladesh, referred to in clause (v) below, to their respective countries will commence;
- (iv) In the matter of repatriation of all categories of persons the principle of simultaneity will be observed throughout as far as possible;
- (v) Without prejudice to the respective positions of Bangladesh and Pakistan on the question of the non-Bengalis who are stated to have 'opted for repatriation to Pakistan', the Government of Pakistan guided by considerations of humanity, agrees, initially, to receive a substantial number of such non-Bengalis from Bangladesh. It is further agreed that the Prime Ministers of Bangladesh and Pakistan or their designated representatives will thereafter meet to decide what additional number of persons who may wish

to migrate to Pakistan may be permitted to do so. Bangladesh has made it clear that it will participate in such a meeting only on the basis of sovereign equality;

- (vi) Bangladesh agrees that no trials of the 195 prisoners of war shall take place during the entire period of repatriation and that pending the settlement envisaged in clause (vii) below these prisoners of war shall remain in India;
- (vii) On completion of repatriation of Pakistani prisoners of war and civilian internees in India, Bengalis in Pakistan and Pakistanis in Bangladesh referred to in clause (v) above, or earlier if they so agree, Bangladesh, India and Pakistan will discuss and settle the question of 195 prisoners of war. Bangladesh has made it clear that it can participate in such a meeting only on the basis of sovereign equality.

The Special Representatives are confident that the completion of repatriation provided for in this Agreement would make a signal contribution to the promotion of reconciliation in the subcontinent and create an atmosphere favourable to a constructive outcome of the meeting of three countries;

- (viii) The time schedule for the completion of repatriation of the Pakistani prisoners of war and civilian internees from India, the Bengalis from Pakistan, and the Pakistanis referred to in clause (v) above from Bangladesh, will be worked out by India in consultation with Bangladesh and Pakistan, as the case may be. The Government of India will make the logistic arrangements for the Pakistani prisoners of war and civilian internees who are to be repatriated to Pakistan. The Government of Pakistan will make logistic arrangements within its territory up to agreed points of exit for the repatriation of Bangladesh nationals to Bangladesh. The Government of Bangladesh will make necessary arrangements for the transport of these persons from such agreed points of exit to Bangladesh. The Government of Bangladesh will make logistic arrangements within its territory up to agreed points of exit for the movement of the Pakistanis referred to in clause (v) above who will go to Pakistan. The Government of Pakistan will make necessary arrangements for the transport of these persons from such agreed points of exit to Pakistan. In making logistic arrangements the Governments concerned may seek the assistance of international humanitarian organisations and others;
- (ix) For the purpose of facilitating the repatriation provided for in this Agreement, the representatives of the Swiss Federal Government and any international humanitarian organisation entrusted with this task shall have unrestricted access at all times to Bengalis in Pakistan and to Pakistanis in Bangladesh referred to in clause (v) above. The Government of Bangladesh and the Government of

Pakistan will provide all assistance and facilities to such representatives in this regard including facilities for adequate publicity for the benefit of the persons entitled to repatriation under this Agreement;

(x) All persons to be repatriated in accordance with this Agreement will be treated with humanity and consideration.

4. The Government of India and the Government of Pakistan have concurred in this Agreement. The Special Representative of the Prime Minister of India, having consulted the Government of Bangladesh, has also conveyed the concurrence of Bangladesh Government in this Agreement.

Done in New Delhi on 28 August 1973 in three originals, all of which are equally authentic.

56. Foreign Minister, Swaran Singh's Statement on Indo-Pakistan Talks, Lok Sabha, New Delhi, 29 August 1973.*

(Full Text)

As the House is aware, a Delegation led by the Special Emissary of the Prime Minister of India, Shri P.N. Haksar, visited Rawalpindi and Islamabad and held discussions with the Pakistan Delegation led by Mr. Aziz Ahmed, Pakistan's Minister of State for Defence and Foreign Affairs, from 24th to 31st July, 1973. During the course of these talks questions relating to simultaneous repatriation of the three categories of persons mentioned in the Joint Indo-Bangladesh Declaration of 17 April 1973 were discussed in full detail. The Pakistan side acknowledged the fact that the Joint Indo-Bangladesh Declaration, which had separated political considerations from the humanitarian issues, was a step forward and paved the way for an early resolution of these issues. Some progress was made in defining these issues and it was agreed between the two Delegations that a point had been reached where further consideration by both sides was necessary. In pursuance of this decision, the discussions were resumed at New Delhi from 18th August 1973 and continued till the 28th August 1973. These discussions took place with the full knowledge of and in consultation with the Bangladesh Government.

As a result of these talks, an agreement was signed yesterday, the 28th August 1973, between the Governments of India and Pakistan. I lay on the Table of the House a copy of this Agreement.

The Agreement provides for the resolution of the humanitarian problems resulting from the conflict of 1971. The Agreement envisages the simultaneous repatriation of all Pakistani prisoners of war (except 195), the repatriation to Bangladesh of all Bengalis in Pakistan and initially a substantial number of Pakistanis now in Bangladesh to Pakistan. The time-schedule for the completion of repatriation of these three categories of persons will be

**Foreign Affairs Record*, August 1973, pp. 308-9.

worked out by India in consultation with Bangladesh and Pakistan as the case may be. It is further agreed that the Prime Ministers of Bangladesh and Pakistan or their designated representatives will thereafter meet to decide what additional number of Pakistanis in Bangladesh may be permitted to return to Pakistan. Bangladesh has made it clear that it will participate in such a meeting only on the basis of sovereign equality.

The immediate implementation of the solution of these humanitarian problems is without prejudice to the respective positions of the parties concerned relating to the case of 195 prisoners of war. In the meantime these 195 prisoners of war shall remain in India and no trials shall take place during the entire period of repatriation. It is further agreed that Bangladesh, India and Pakistan in a tripartite meeting will arrive at a settlement of the question of these 195 prisoners of war.

In arriving at this Agreement all three countries, Bangladesh, India and Pakistan, made constructive contributions. It is our earnest hope that this Agreement will be one more step towards the goal of establishing durable peace in the subcontinent.

D. Sikkim

57. The Sikkim Agreement, 8 May, 1973.* (Full Text)

An agreement envisaging a democratic set-up for Sikkim and administrative reforms was signed in Gangtok on Tuesday.

The following is the text of the agreement:

Whereas the Chogyal and the people of Sikkim are convinced that their interest and the long-term interest of Sikkim as a whole call for:

- (i) The establishment of a fully responsible government in Sikkim with a more democratic Constitution, the guarantee of Fundamental Rights, the rule of law, an independent judiciary, and greater legislative and executive powers for the elected representatives of the people;
- (ii) A system of elections based on adult suffrage which will give equitable representation to all sections of the people on the basis of the principle of one man one vote;
- (iii) The strengthening of Indo-Sikkim cooperation and inter-relationships; and

Whereas the Chogyal as well as the representatives of the people had requested the government of India:

- (i) To take responsibility for the establishment of law and order and good administration in Sikkim following the breakdown of all three;
- (ii) To ensure the further development of a constitutional government, communal harmony, good administration and rapid economic and social development in Sikkim;
- (iii) To provide the head of the administration (Chief Executive) in Sikkim to help achieve and to safeguard all the above needs and objectives;

And whereas the government of India have agreed to discharge the responsibilities hereby renewed to them:

Now, whereas the government of India, the Chogyal of Sikkim and the leaders of the political parties of Sikkim, have agreed as follows:

- (1) The three parties hereby recognise and undertake to ensure the basic human rights and fundamental freedoms of the people of

*The Times of India, New Delhi, 10 May 1973, p. 2.

Sikkim. The people of Sikkim will enjoy the right of election on the basis of adult suffrage to give effect to the principle of one man one vote

- (2) There shall be an assembly in Sikkim. The assembly shall be elected every four years. Elections shall be fair and free, and shall be conducted under the supervision of a representative of the Election Commission of India, who shall be appointed for the purpose by the government of Sikkim.
- (3) i. In accordance with this agreement, the assembly shall have the power to propose laws and adopt resolutions for the welfare of the people of Sikkim, on any of the matters enumerated herein below, namely: (i) education, (ii) public health, (iii) excise, (iv) press and publicity, (v) transport, (vi) bazars, (vii) forest, (viii) public works, (ix) agriculture, (x) food supplies, and (xi) economic and social planning, including state enterprises, (xii) home and establishment, (xiii) finance, and (xiv) land revenue.
- ii. The assembly shall not discuss or ask questions of the following: (a) The Chogyal and the members of the ruling family; (b) Any matter pending before a court of law; (c) The appointment of the Chief Executive and members of the judiciary; and (d) Any matter which concerns the responsibilities of the government of India under this agreement, or under any other agreement between India and Sikkim.
- (4) There shall be an Executive Council consisting of elected members of the assembly who shall be appointed to the Executive Council by the Chogyal on the advice of the Chief Executive. The Chief Executive will preside over the meetings of the Executive Council.
- (5) The system of elections shall be so organised as to make the assembly adequately representative of the various sections of the population. The size and composition of the assembly and of the Executive Council shall be such as may be prescribed from time to time, care being taken to ensure that no single section of the population acquires a dominating position due mainly to its ethnic origin and that the rights and interests of the Sikkimese of Bhutia Lepcha origin and of the Sikkimese of Nepali, which includes Tsong and Scheduled Castes, origin, are fully protected.
- (6) The Chogyal shall perform the functions of his high office in accordance with the Constitution of Sikkim as set out in this agreement.
- (7) To head the administration in Sikkim there shall be a Chief Executive, who shall be appointed by the Chogyal on the nomination of the government of India.
- (8) The Chief Executive shall have all the powers necessary for the discharge of his functions, and responsibilities; and shall exercise his powers in the following manner:
 - (i) with respect to matters allocated to a member of the Executive

Council, he shall act in consultation with the member to whom administrative functions in this regard have been allocated.

- (ii) He shall submit all important matters to the Chogyal for his information and for his approval of the action proposed to be taken, except where immediate action is required. In the latter case, he shall obtain the Chogyal's approval as soon after the action has been taken as possible.
- (iii) He shall have a special responsibility to ensure the proper implementation of the constitutional and administrative changes in Sikkim, the smooth and efficient running of its administration, the continued enjoyment of basic rights and fundamental freedoms by all sections of the population of Sikkim, and the optimum utilisation for the benefit of the people of Sikkim of the funds allocated for the economic and social development of Sikkim.
- (iv) In cases involving amity between the various sections of the population of Sikkim, or the development of democratic government and efficient administration in Sikkim, any difference of opinion between him and the Chogyal shall be referred to the Political Officer in Sikkim, who shall obtain the advice of the government of India, which shall be binding.
- (9) There shall be equality before the law in Sikkim. The judiciary shall remain independent.
- (10) The palace establishment and the Sikkim Guards shall remain directly under the Chogyal.
- (11) The government of India, who are solely responsible for the defence and territorial integrity of Sikkim, and who are solely responsible for the conduct and regulation of the external relations of Sikkim, whether political, economic or financial, reaffirm their determination to discharge these and their other responsibilities for the benefit of the people of Sikkim, for their communal harmony, good administration and economic and social development; It is hereby reaffirmed that they shall have the necessary powers for carrying out these responsibilities.

Done in triplicate at Gangtok on this the eighth day of May of the year one thousand nine hundred and seventy three, A.D.

Sd/- KEWAL SINGH,
Foreign Secretary,
Government of India.

Sd/- PALDEN THONDUP
NAMGYAL,
The Chogyal of Sikkim.

Leaders of the political parties representing the people of Sikkim.

For the Sikkim
Janta Congress
Sd/-

For the Sikkim
National Congress
Sd/-

For the Sikkim
National Party
Sd/-

K.C. Pradhan	K. Lhendup Dorji	Netuk Tsering
B.B. Gurung	C.S. Rai	Man Bahadur Basne
S.K. Rai	C.B. Chhetri	Tasa Thungay
B.P. Dahul	N.K. Subedi	Padam Kharel
B. Kharel	D.N. Tiwari	K. Wangdi

E. Sri Lanka

58. Press Release on Indo-Sri Lanka Telecommunication Services Issued in New Delhi, 1 February 1973.* (Full Text)

New operating and accounting procedures are to be introduced on the telegraph and telephone service between India and Sri Lanka. This is understood to have been decided at the recent talks held here between P & T officials of the two countries. The Indian team at the talks was led by Shri N.V. Sheno, Secretary, Ministry of Communications and the Sri Lanka delegation by Shri C.J. Serasinghe, Secretary, Ministry of Posts and Telecommunications.

It is understood that the two countries have agreed to go over to the international methods of operation and accounting on the India-Sri Lanka telecommunication services with effect from April 1, this year. With effect from that date, ordinary and urgent telegrams, with minimum charge for 7 words, will be available between the two countries. Press telegrams will have a minimum charge for 14 words. The revenue on the telegraph traffic will be shared in the ratio of 3 (India): 2 (Sri Lanka).

The method of operation of India-Sri Lanka telephone service will also be revised with effect from April 1. For this purpose, India will be divided into two Zones—Zone One will comprise Tamil Nadu, Kerala and Pondicherry and Zone Two the rest of the country. On calls between Zone One in India and Sri Lanka, the finder-keeper principle will be in operation, i.e., each country will keep its share of revenue. On calls between Zone Two in India and Sri Lanka, the revenue will be shared in the ratio of 4 (India) : 1 (Sri Lanka).

The pattern of telephone service will also be modified. There will be two classes of calls, namely ordinary and urgent with P.P. (Particular Person) facility. The minimum charge for a call will be for the first three minutes; thereafter the charge will be for every additional minute. The charge for an urgent call will be double that for an ordinary call. P.P. charge will be equal to a call of one-minute duration. There will be no concessional tariffs.

It is understood that during the talks, there was agreement on the need to strengthen and modernise the existing telecommunication links between India and Sri Lanka. Instead of wireless morse working, it is proposed to

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have a radio teleprinter circuit. The existing three-channel carrier system, which is of obsolete design, is also to be replaced by a bigger and modern carrier system in the immediate future. Also on the existing open wire lines, on which the carrier system is in operation, the copper wire, which is subject to theft with consequent disruption of service, will be replaced by aluminium wire. India has offered to assist Sri Lanka with the supply of necessary materials.

It has also been agreed in principle to have a micro-wave link on a long-term basis between the two countries to provide more stable and a larger number of circuits.

The decisions taken at the New Delhi talks will be ratified through exchange of letters between the telecommunication administrations of the two countries.

59. Joint Press Statement Issued at the End of the Visit of the Indian Delegation of Officials to Sri Lanka, Colombo, 17 February 1973.*

(Full Text)

A delegation of officials from India led by the Foreign Secretary, Shri Kewal Singh, visited Colombo from February 12 to 17, 1973, to discuss with a delegation of officials of Sri Lanka led by the Secretary, Ministry of Defence and Foreign Affairs, Mr. W. T. Jayasinghe, matters relating to the progress in the implementation of the Agreement between India and Sri Lanka of 30th October, 1964.

The two delegations discussed these matters in a friendly atmosphere and in a spirit of mutual accommodation. Both delegations reviewed the implementation of the 1964 Agreement and reiterated that it was their common interest to ensure its smooth, speedy and effective implementation.

The leaders of the two delegations agreed to hold another meeting during the latter part of the year at New Delhi to review further progress in the implementation of the Agreement and study further development of their bilateral relations. The date for the next meeting will be mutually agreed upon in due course.

The leader of the Indian delegation was received by the Prime Minister of Sri Lanka with whom he had the opportunity to discuss the international situation and to survey bilateral relations. Shri Kewal Singh also had a very useful discussion with the Deputy Minister of Defence and Foreign Affairs, Mr. Lakshman Jayakody, on matters of mutual interest. The Foreign Secretary had a useful exchange of views with the Secretary of the Ministry of Defence and Foreign Affairs, Mr. W. T. Jayasinghe.

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Pakistan will provide all assistance and facilities to such representatives in this regard including facilities for adequate publicity for the benefit of the persons entitled to repatriation under this Agreement;

- (x) All persons to be repatriated in accordance with this Agreement will be treated with humanity and consideration.

4. The Government of India and the Government of Pakistan have concurred in this Agreement. The Special Representative of the Prime Minister of India, having consulted the Government of Bangladesh, has also conveyed the concurrence of Bangladesh Government in this Agreement.

Done in New Delhi on 28 August 1973 in three originals, all of which are equally authentic.

56. Foreign Minister, Swaran Singh's Statement on Indo-Pakistan Talks, Lok Sabha, New Delhi, 29 August 1973.*

(Full Text)

As the House is aware, a Delegation led by the Special Emissary of the Prime Minister of India, Shri P.N. Haksar, visited Rawalpindi and Islamabad and held discussions with the Pakistan Delegation led by Mr. Aziz Ahmed, Pakistan's Minister of State for Defence and Foreign Affairs, from 24th to 31st July, 1973. During the course of these talks questions relating to simultaneous repatriation of the three categories of persons mentioned in the Joint Indo-Bangladesh Declaration of 17 April 1973 were discussed in full detail. The Pakistan side acknowledged the fact that the Joint Indo-Bangladesh Declaration, which had separated political considerations from the humanitarian issues, was a step forward and paved the way for an early resolution of these issues. Some progress was made in defining these issues and it was agreed between the two Delegations that a point had been reached where further consideration by both sides was necessary. In pursuance of this decision, the discussions were resumed at New Delhi from 18th August 1973 and continued till the 28th August 1973. These discussions took place with the full knowledge of and in consultation with the Bangladesh Government.

As a result of these talks, an agreement was signed yesterday, the 28th August 1973, between the Governments of India and Pakistan. I lay on the Table of the House a copy of this Agreement.

The Agreement provides for the resolution of the humanitarian problems resulting from the conflict of 1971. The Agreement envisages the simultaneous repatriation of all Pakistani prisoners of war (except 195), the repatriation to Bangladesh of all Bengalis in Pakistan and initially a substantial number of Pakistanis now in Bangladesh to Pakistan. The time-schedule for the completion of repatriation of these three categories of persons will be

**Foreign Affairs Record*, August 1973, pp. 303-9.

worked out by India in consultation with Bangladesh and Pakistan as the case may be. It is further agreed that the Prime Ministers of Bangladesh and Pakistan or their designated representatives will thereafter meet to decide what additional number of Pakistanis in Bangladesh may be permitted to return to Pakistan. Bangladesh has made it clear that it will participate in such a meeting only on the basis of sovereign equality.

The immediate implementation of the solution of these humanitarian problems is without prejudice to the respective positions of the parties concerned relating to the case of 195 prisoners of war. In the meantime these 195 prisoners of war shall remain in India and no trials shall take place during the entire period of repatriation. It is further agreed that Bangladesh, India and Pakistan in a tripartite meeting will arrive at a settlement of the question of these 195 prisoners of war.

In arriving at this Agreement all three countries, Bangladesh, India and Pakistan, made constructive contributions. It is our earnest hope that this Agreement will be one more step towards the goal of establishing durable peace in the subcontinent.

D. Sikkim

57. The Sikkim Agreement, 8 May, 1973.* (Full Text)

An agreement envisaging a democratic set-up for Sikkim and administrative reforms was signed in Gangtok on Tuesday.

The following is the text of the agreement:

Whereas the Chogyal and the people of Sikkim are convinced that their interest and the long-term interest of Sikkim as a whole call for:

- (i) The establishment of a fully responsible government in Sikkim with a more democratic Constitution, the guarantee of Fundamental Rights, the rule of law, an independent judiciary, and greater legislative and executive powers for the elected representatives of the people;
- (ii) A system of elections based on adult suffrage which will give equitable representation to all sections of the people on the basis of the principle of one man one vote;
- (iii) The strengthening of Indo-Sikkim cooperation and inter-relationships; and

Whereas the Chogyal as well as the representatives of the people had requested the government of India:

- (i) To take responsibility for the establishment of law and order and good administration in Sikkim following the breakdown of all three;
- (ii) To ensure the further development of a constitutional government, communal harmony, good administration and rapid economic and social development in Sikkim;
- (iii) To provide the head of the administration (Chief Executive) in Sikkim to help achieve and to safeguard all the above needs and objectives;

And whereas the government of India have agreed to discharge the responsibilities hereby renewed to them:

Now, whereas the government of India, the Chogyal of Sikkim and the leaders of the political parties of Sikkim, have agreed as follows:

- (1) The three parties hereby recognise and undertake to ensure the basic human rights and fundamental freedoms of the people of

*The Times of India, New Delhi, 10 May 1973, p. 2.

Sikkim. The people of Sikkim will enjoy the right of election on the basis of adult suffrage to give effect to the principle of one man one vote.

- (2) There shall be an assembly in Sikkim. The assembly shall be elected every four years. Elections shall be fair and free, and shall be conducted under the supervision of a representative of the Election Commission of India, who shall be appointed for the purpose by the government of Sikkim.
- (3) i. In accordance with this agreement, the assembly shall have the power to propose laws and adopt resolutions for the welfare of the people of Sikkim, on any of the matters enumerated herein below, namely: (i) education, (ii) public health, (iii) excise, (iv) press and publicity, (v) transport, (vi) bazars, (vii) forest, (viii) public works, (ix) agriculture, (x) food supplies, and (xi) economic and social planning, including state enterprises, (xii) home and establishment, (xiii) finance, and (xiv) land revenue.
 ii. The assembly shall not discuss or ask questions of the following: (a) The Chogyal and the members of the ruling family; (b) Any matter pending before a court of law; (c) The appointment of the Chief Executive and members of the judiciary; and (d) Any matter which concerns the responsibilities of the government of India under this agreement, or under any other agreement between India and Sikkim.
- (4) There shall be an Executive Council consisting of elected members of the assembly who shall be appointed to the Executive Council by the Chogyal on the advice of the Chief Executive. The Chief Executive will preside over the meetings of the Executive Council.
- (5) The system of elections shall be so organised as to make the assembly adequately representative of the various sections of the population. The size and composition of the assembly and of the Executive Council shall be such as may be prescribed from time to time, care being taken to ensure that no single section of the population acquires a dominating position due mainly to its ethnic origin and that the rights and interests of the Sikkimese of Bhutia Lepcha origin and of the Sikkimese of Nepali, which includes Tsong and Scheduled Castes, origin, are fully protected.
- (6) The Chogyal shall perform the functions of his high office in accordance with the *Constitution of Sikkim as set out in this agreement*.
- (7) To head the administration in Sikkim there shall be a Chief Executive, who shall be appointed by the Chogyal on the nomination of the government of India.
- (8) The Chief Executive shall have all the powers necessary for the discharge of his functions, and responsibilities; and shall exercise his powers in the following manner:
 - (i) with respect to matters allocated to a member of the Executive

Council, he shall act in consultation with the member to whom administrative functions in this regard have been allocated.

- (ii) He shall submit all important matters to the Chogyal for his information and for his approval of the action proposed to be taken, except where immediate action is required. In the latter case, he shall obtain the Chogyal's approval as soon after the action has been taken as possible.
- (iii) He shall have a special responsibility to ensure the proper implementation of the constitutional and administrative changes in Sikkim, the smooth and efficient running of its administration, the continued enjoyment of basic rights and fundamental freedoms by all sections of the population of Sikkim, and the optimum utilisation for the benefit of the people of Sikkim of the funds allocated for the economic and social development of Sikkim.
- (iv) In cases involving amity between the various sections of the population of Sikkim, or the development of democratic government and efficient administration in Sikkim, any difference of opinion between him and the Chogyal shall be referred to the Political Officer in Sikkim, who shall obtain the advice of the government of India, which shall be binding.
- (9) There shall be equality before the law in Sikkim. The judiciary shall remain independent.
- (10) The palace establishment and the Sikkim Guards shall remain directly under the Chogyal.
- (11) The government of India, who are solely responsible for the defence and territorial integrity of Sikkim, and who are solely responsible for the conduct and regulation of the external relations of Sikkim, whether political, economic or financial, reaffirm their determination to discharge these and their other responsibilities for the benefit of the people of Sikkim, for their communal harmony, good administration and economic and social development; It is hereby reaffirmed that they shall have the necessary powers for carrying out these responsibilities.

Done in triplicate at Gangtok on this the eighth day of May of the year one thousand nine hundred and seventy three, A.D.

Sd/- KEWAL SINGH,
Foreign Secretary,
Government of India.

Sd/- PALDEN THONDUP
NAMGYAL,
The Chogyal of Sikkim.

Leaders of the political parties representing the people of Sikkim.

For the Sikkim
Janta Congress
Sd/-

For the Sikkim
National Congress
Sd/-

For the Sikkim
National Party
Sd/-

K.C. Pradhan	K. Lhendup Dorji	Netuk Tsering
B.B. Gurung	C.S. Rai	Man Bahadur Basne
S.K. Rai	C.B. Chhetri	Tasa Thungay
B.P. Dahul	N.K. Subedi	Padam Kharel
B. Kharel	D.N. Tiwari	K. Wangdi

E. Sri Lanka

58. Press Release on Indo-Sri Lanka Telecommunication Services Issued in New Delhi, 1 February 1973.* (Full Text)

New operating and accounting procedures are to be introduced on the telegraph and telephone service between India and Sri Lanka. This is understood to have been decided at the recent talks held here between P & T officials of the two countries. The Indian team at the talks was led by Shri N.V. Sheno, Secretary, Ministry of Communications and the Sri Lanka delegation by Shri C.J. Serasinghe, Secretary, Ministry of Posts and Telecommunications.

It is understood that the two countries have agreed to go over to the international methods of operation and accounting on the India-Sri Lanka telecommunication services with effect from April 1, this year. With effect from that date, ordinary and urgent telegrams, with minimum charge for 7 words, will be available between the two countries. Press telegrams will have a minimum charge for 14 words. The revenue on the telegraph traffic will be shared in the ratio of 3 (India): 2 (Sri Lanka).

The method of operation of India-Sri Lanka telephone service will also be revised with effect from April 1. For this purpose, India will be divided into two Zones—Zone One will comprise Tamil Nadu, Kerala and Pondicherry and Zone Two the rest of the country. On calls between Zone One in India and Sri Lanka, the finder-keeper principle will be in operation, i.e., each country will keep its share of revenue. On calls between Zone Two in India and Sri Lanka, the revenue will be shared in the ratio of 4 (India) : 1 (Sri Lanka).

The pattern of telephone service will also be modified. There will be two classes of calls, namely ordinary and urgent with P.P. (Particular Person) facility. The minimum charge for a call will be for the first three minutes; thereafter the charge will be for every additional minute. The charge for an urgent call will be double that for an ordinary call. P.P. charge will be equal to a call of one-minute duration. There will be no concessional tariffs.

It is understood that during the talks, there was agreement on the need to strengthen and modernise the existing telecommunication links between India and Sri Lanka. Instead of wireless morse working, it is proposed to

**Foreign Affairs Record*, February 1973, p. 90.

have a radio teleprinter circuit. The existing three-channel carrier system, which is of obsolete design, is also to be replaced by a bigger and modern carrier system in the immediate future. Also on the existing open wire lines, on which the carrier system is in operation, the copper wire, which is subject to theft with consequent disruption of service, will be replaced by aluminium wire. India has offered to assist Sri Lanka with the supply of necessary materials.

It has also been agreed in principle to have a micro-wave link on a long-term basis between the two countries to provide more stable and a larger number of circuits.

The decisions taken at the New Delhi talks will be ratified through exchange of letters between the telecommunication administrations of the two countries.

59. Joint Press Statement Issued at the End of the Visit of the Indian Delegation of Officials to Sri Lanka, Colombo, 17 February 1973.*

(Full Text)

A delegation of officials from India led by the Foreign Secretary, Shri Kewal Singh, visited Colombo from February 12 to 17, 1973, to discuss with a delegation of officials of Sri Lanka led by the Secretary, Ministry of Defence and Foreign Affairs, Mr. W. T. Jayasinghe, matters relating to the progress in the implementation of the Agreement between India and Sri Lanka of 30th October, 1964.

The two delegations discussed these matters in a friendly atmosphere and in a spirit of mutual accommodation. Both delegations reviewed the implementation of the 1964 Agreement and reiterated that it was their common interest to ensure its smooth, speedy and effective implementation.

The leaders of the two delegations agreed to hold another meeting during the latter part of the year at New Delhi to review further progress in the implementation of the Agreement and study further development of their bilateral relations. The date for the next meeting will be mutually agreed upon in due course.

The leader of the Indian delegation was received by the Prime Minister of Sri Lanka with whom he had the opportunity to discuss the international situation and to survey bilateral relations. Shri Kewal Singh also had a very useful discussion with the Deputy Minister of Defence and Foreign Affairs, Mr. Lakshman Jayakody, on matters of mutual interest. The Foreign Secretary had a useful exchange of views with the Secretary of the Ministry of Defence and Foreign Affairs, Mr. W. T. Jayasinghe.

**Foreign Affairs Record*, February, 1973, pp. 90-91.

60. Foreign Minister, Swaran Singh's Statement in Lok Sabha on Repatriation of Stateless Persons, New Delhi, 26 February 1973.*

(Full Text)

As the House is aware, the Indo-Ceylon Agreement of 1964 envisaged that India would accept for repatriation 525,000 stateless persons of Indian origin, while Sri Lanka would grant citizenship to 300,000 such persons, in an evenly phased manner, over a period of 15 years; this would mean that India would accept repatriation of an average of 35,000 persons per annum and Sri Lanka would grant citizenship to 20,000 persons per annum beginning from the date of the Agreement.

Since various prior arrangements had to be made, implementation of the Agreement has been delayed. Till the 17th February, 1973, 84,801 persons have been repatriated to India, while Sri Lanka has granted citizenship to 48,249 persons up to the end of December, 1972.

A meeting of officials of the two countries led by their respective Foreign Secretaries was held in Colombo from 14th to 17th February this year to review progress in the implementation of the Agreement. The Agreement was considered in all its aspects and both sides agreed to take all possible measures to ensure its smooth and full implementation. During the last eight years, the stipulated rate of repatriation of 35,000 on Indian side and the grant of citizenship to 20,000 on Sri Lanka side could not be achieved. Government of India has agreed in principle to accelerate the rate of repatriation in the coming years. The details are being worked out.

61. Prime Minister, Indira Gandhi's Speech at a banquet given by Sri Lanka Prime Minister, Colombo, 27 April 1973.*

(Full Text)

Prime Minister, Excellencies, Ladies and Gentlemen:

Long ago, in one of the starry moments of our history, Sangamitta brought a message of peace and brotherhood to Sri Lanka which forged a new link in an old relationship between our two countries. The message of the Buddha is powerful and timeless. Its basic principles have been echoed in different places and in a variety of words over the centuries. But each generation must make it relevant to contemporary life.

One of Sri Lanka's special contributions to the culture of mankind is to have cherished and preserved the thought of Lord Buddha. The core of wisdom shared by Sri Lanka and India is the principle of tolerance. We have

**Foreign Affairs Record*, April 1973, p. 181.

**Foreign Affairs Record*, April 1973, pp. 182-83.

invited the President of Pakistan and offered him the return of all territories occupied during the hostilities. We did indeed restore to Pakistan what belonged to it. The question remains of the large number of Pakistan prisoners who had surrendered in Bangladesh to the troops of Bangladesh and India. Just a few days ago, Bangladesh and we together put forward a proposal to resolve the problem of all those groups of people who are away from their homelands. Once again we took a broad and generous view. This human problem concerns three groups—the combatants who had surrendered to the troops of Bangladesh and India, the non-combatant people of Bangladesh who are detained in Pakistan and the Pakistan nationals still in Bangladesh who have opted to return to Pakistan. I hope that the international community will appreciate this significant gesture, which is especially commendable on the part of Bangladesh, and will help in its acceptance.

The poverty and economic backwardness of all the countries of this region are of such vast proportions as to make vanity a travesty. Even were we to spend every rupee and devote every ounce of energy on development, I doubt if the battle could be won in a single generation. A certain expenditure on national defence may be unavoidable, but can we afford the insatiable demands of the war machine, stocked by policies of continuing confrontation?

Fortunately, the record of relations between Sri Lanka and India has been one of the settling of differences through discussion and an outgoing willingness to find accord. The agreement reached between you, Madam Prime Minister, and my predecessor in 1964 is a good example of solving a problem bequeathed by history in a civilised and sensible manner. This agreement is in the process of *satisfactory implementation and the guarantee of its success in the trust and goodwill that prevail between our two countries*. Any remaining differences can be resolved in the same spirit of mutual understanding.

Madam Prime Minister, may I thank you for inviting me and giving me the pleasure of meeting you again? Under your dynamic leadership, Sri Lanka is moving forward to strengthen its economic foundations. The people of India share my admiration for your qualities and achievements. We in India have stepped into the second phase of our economic transformation, having completed building the technological infrastructure. As near neighbours, our two countries can gain by sharing experience. Much has happened since we met in Lusaka. In this fast changing world it is useful to keep in touch with each other's assessment of the situation in different parts of the world. We have also had wide-ranging discussions on bilateral problems.

The message of friendship and cooperation which I bring is based not only on cultural or traditional ties but on shared ideals, common goals and interests which are complementary.

Excellencies, ladies and gentlemen, I invite you to join me in wishing

long life and success to the Honourable Prime Minister, Mrs. Sirimavo Bandaranaike, to the progress of the people of Sri Lanka, and to lasting friendship between Sri Lanka and India.

62. Prime Minister, Indira Gandhi's Address to the Sri Lanka National State Assembly, Colombo, 28 April 1973.*
(Full Text)

Mr. Speaker, Prime Minister and Hon'ble Members of the National State Assembly:

Addressing the Parliament of a nation is the highest honour to a representative of another country. I am grateful to you for this privilege. I bring to you and, through you to the people of the Republic of Sri Lanka the warm greetings and good wishes of the legislators and people of India.

It has been my good fortune to visit this beautiful land many a time. I was 10 years old when I first came with my parents on our way back from Europe. The three of us came again in 1931. The lush and tranquil landscape satisfied an inner need, for we in India had gone through a particularly harrowing period. The visits to Kandy and Anuradhapura kindled an interest in art and self-expression, which was later developed by acquaintance with the perceptive insight of Ananda Coomaraswamy. I discovered that we in India and you in Sri Lanka were struggling for political freedom, for the reassertion of our national identities and for the liberation of our peoples from the bondage of poverty and fear. Thus was I able to see our quest in India as part of a greater one—that of Asia and of a wider humanity.

The suffering and striving of the struggle for liberty succeeded around the middle of the century. Sri Lanka, India, and many other countries of Asia 'awoke to life and freedom'. We were not so naive as to imagine that political independence would end all difficulties. We recognized it to be but the beginning of a new journey and the assumption of heavy responsibilities that had been withheld from us. We also knew that among us there were some who continued to shirk the strain, to avoid the duty of making choices and offering battle, and who preferred the ease of leaving decisions to others.

Such remnants of our colonial past do persist, counselling us in many insidious ways to seek alien protection of largesse. But, by and large, our people have spurned this apparently easy path, which is in fact the path of the faint-hearted. We have chosen the more complex one of political self-assertion and economic self-reliance. And, because of the willingness of people to undergo sacrifices, we have been able to achieve a hundred years' progress within two decades. More important than material progress, our engineers, scientists, planners and builders have acquired self-confidence.

**Foreign Affairs Record*, April 1973, pp. 184-87.

Old religious hostilities and feelings of caste superiority have not yet disappeared—and many groups are bent on perpetuating them—but the people as a whole regard them as inimical to national strength. Our programmes for introducing socialism have been opposed at every step by vested interests, but such has been the impact of popular enthusiasm for socialism that even these interests and their advocates are now compelled to pay formal allegiance. These achievements mean as much to us as the fact that the national income has risen from Rs. 86,500 million to Rs. 358, 110 million in the last 20 or so years.

There is no need to give this august Assembly an account of all that we have been able to do in India over this period. Briefly stated, our food production has doubled—and this has enabled us to withstand a drought of unimaginable intensity this year. Our industrial base has become stronger and more versatile. But poverty remains and far too many people are still denied the minimum constituents of life without hunger and disease. Unemployment, specially amongst the educated, is a matter for grave concern. There is sharper awareness and growing impatience with inequalities. Now that we have some of the economic and organisational means to overcome poverty and inequality, we are all the more keenly conscious of the urgency of quickening the pace of progress.

It is customary to judge nations by income figures and rates of growth. Perhaps I am somewhat old-fashioned in this regard, continuing to attach merely more importance to the quality of a people than to the volume of their possessions. Therefore, in providing our people the means of satisfaction, we do not want to emulate the acquisitive and consumer societies. Affluent and powerful countries, whatever their political ideology, seem to have the same basic concept of what constitutes the good life. As technology advances, it becomes all the more necessary that we do not become victims of our tools.

We should concern ourselves not merely with material advance, but with the need to evolve a new kind of man who has the wisdom and the understanding to make the best use of technology, a man who can be at peace with himself and with Nature. In this quest, countries like Sri Lanka and India have a contribution to make by remaining true to the best in their respective heritages.

The nature of relationship within a society is as valid for us as its economic activity. We fought for freedom because of the conviction that no people is entitled to rule over another. How then could we acquiesce in any one group dominating another? So we chose democracy—not a restricted form which is no democracy, but a democracy which permits and invites all people to share the responsibility for political decisions. With each year and with each election, our people have grown in political maturity and their faith in the parliamentary system has deepened. The same faith in the equality of man has prompted us to assure equal respect and rights for all religions. For democracy to have meaning and relevance to the lives of our

millions, economic opportunity had to be extended to all and our politics were therefore the politics of socialism. By this we do not mean State ownership and the control of all wealth and means of production, but the widest diffusion, indeed socialisation, of economic opportunity.

In all our countries the generation which fought for political independence is yielding place to a new generation which, while largely accepting the values of the founding fathers, seems to be more avid for concrete results. To us the choice of democracy evolved from our belief that means are as important as ends and that that change is best which is brought about peacefully. This is in consonance with our ancient philosophy and political conditioning. Democracy may seem slow but it teaches and strengthens as it evolves. However, it is our way of life and we do not seek to export it.

In India the internal opposition of communalists and apologists of economic monopoly is now becoming rather desperate. Surprisingly, they receive support even from those who call themselves ultra revolutionaries and who, whatever their subjective thinking might be, end by contributing to the cause of reaction. The idea that social, political and economic chaos would inevitably produce *cosmos* might appear attractive but it is contrary to all revolutionary experience.

We have also had obstruction from outside. Our endeavour to devote all our energies to the well-being of our people has unfortunately been interrupted from time to time. We have reluctantly had to divert resources from development to defence. It is our hope that we shall now have an era of unchequered peace and that the countries of the subcontinent will be able to build and to strengthen their economies. Such a vision of peace it was that inspired us in Simla last year. It will continue to guide our policies and we shall work for the fulfilment of the openings which the Agreement offers. In their recent declaration, the Governments of Bangladesh and India have initiated yet another move to further the cause of peace on the subcontinent.

Recent events have shown a new trend towards detente and the peaceful resolution of old conflicts, proving the correctness of the policy of non-alignment. We the non-aligned had regarded the bipolarity of the post-war world as unnatural and transitory. It was our belief that world peace and progress could be ensured only through co-existence and cooperation between nations. The major moves for detente in Europe and the more hesitant ones for reconciliation in Asia amount to the repudiation of the postulates of the Cold war. But there is still not enough realisation that the world of today cannot fit neatly into a pattern set by the powerful nations, and that a structure of peace is more likely to result from a genuinely cooperative approach based on the frank recognition of the limitations of power.

Countries such as Sri Lanka and India should remain aloof from all manoeuvres to interfere in the affairs of others. We should continue to resist the expansion of military presences. It is of paramount importance to

us both that the Indian Ocean remains a zone of peace, free from military contests.

There has been no dearth of theories to justify a military presence. One of the most inane of them is the theory of a power vacuum. The colonial powers were compelled to leave because of an opposite political force—the upsurge of nationalism. There can be no question of a vacuum if we make our economies viable and our societies stable. Our common resolve to strengthen our independence rejects the orthodox power theory. We believe that strong and stable neighbours are an asset to us.

Sri Lanka and India have worked together in international forums to enlarge opportunities for the countries of Asia, Africa and Latin America. Greater economic cooperation between developing countries will be advantageous to all of us. There can be no progress in isolation. Sri Lanka and India have close ties, and economic cooperation between our two countries is natural and mutually beneficial. Areas in which the two countries can work together have been indentified. For instance, cooperation in working out a viable international arrangement to stabilise the prices of our exports and to extend the area of technical and financial collaboration in fields of high priority in our development programmes. Your Prime Minister, Mrs. Bandaranaike, in her foreword to Sri Lanka's Five-Year Plan has asked: 'Must our country always remain poor? Must our youth always remain without the prospect of securing the means of livelihood, of making their contribution to society?' These are questions with which planners in my own country are trying to grapple. Regular exchanges of opinion and experience in dealing with these problems will increase the efficacy of our planning processes.

Sri Lanka and India have from the start adopted the path of resolving political problems through bilateral discussions. Whatever problems, big or small, remain can surely be similarly resolved. I hope that Sri Lanka and India, working together, will help to bring about greater cooperation in our region. Colombo, which has been for many years the headquarters of an international endeavour, could take the lead in furthering economic cooperation among Asian countries.

Once again I thank you, Mr. Speaker, and your fellow parliamentarians for this honour and this opportunity to address you on behalf of India.

I end with a prayer from the Metta Sutra: 'May all living things be happy and at their ease: May they be joyous and live in safety: All beings, whether weak or strong' and again 'so let him (man) cultivate a boundless goodwill toward the entire world, uncramped, free from ill will or enmity.'

63. Joint Communiqué Issued at the Conclusion of the Prime Minister, Indira Gandhi's Visit to Sri Lanka, Colombo, 29 April 1973.*

(Full Text)

At the invitation of the Prime Minister of Sri Lanka, Mrs. Sirimavo R.D. Bandaranaike, the Prime Minister of India, Shrimati Indira Gandhi, visited Sri Lanka from April 27 to 29, 1973. On her arrival in Sri Lanka, Shrimati Gandhi was met by the Prime Minister of Sri Lanka who greeted her on behalf of the Government and the people of Sri Lanka and was accorded an enthusiastic welcome by the public. The Prime Minister of India expressed her pleasure to re-visit Sri Lanka and renew her acquaintance with the Prime Minister of Sri Lanka and the country. The Prime Minister of India was deeply touched by the friendship of the Government and people of Sri Lanka towards India and conveyed to them cordial greetings and sincere good wishes on behalf of the Government and people of India.

During her stay in Sri Lanka, the Prime Minister of India called on His Excellency the President of Sri Lanka, Mr. William Gopallawa. On the invitation of the Speaker of the National State Assembly, the Prime Minister of India visited the National State Assembly and had the honour of addressing its members.

The Prime Ministers welcomed the opportunity to exchange views on recent international developments and bilateral matters. The talks were held in an atmosphere of goodwill and mutual understanding befitting the close and ancient ties between Sri Lanka and India.

The Prime Minister of India was assisted by: Shri Kewal Singh, Foreign Secretary; Professor P.N. Dhar, Secretary to the Prime Minister; His Excellency Shri V. H. Coelho, High Commissioner of India in Sri Lanka; Shri N. Krishnan, Joint Secretary, Ministry of External Affairs; Shri D.S. Kamtekar, Joint Secretary, Ministry of External Affairs; Shri A. R. Doe, Deputy High Commissioner of India in Sri Lanka; Shri H. Y. Sharada Prasad, Director (Information), Prime Minister's Secretariat; Shri M. Malhoutra, Deputy Secretary, Prime Minister's Secretariat; and Shri R. Varma First Secretary, High Commission of India in Sri Lanka.

The Prime Minister of Sri Lanka was assisted by: Mr. W.T. Jayasinghe, Secretary, Ministry of Defence and Foreign Affairs; His Excellency Mr. N.Q. Dias, High Commissioner of Sri Lanka in India; Mr. M.D.D. Peiris, Secretary to the Prime Minister; Mr. V.L.B. Mendis, Director-General of Foreign Affairs; Mr. B. P. Tilakaratna, Director, Foreign Relations (Asia-Africa); Mr. E.L.F. de J. Seneviratne, Director, Foreign Relations (Economic Affairs); Mr. D. M. P. B. Dissanayake, Controller of Immigration and Emigration; and Mr. J.H.N. Gooneratne, Assistant Secretary, Ministry of Defence and Foreign Affairs.

* *Foreign Affairs Record*, April 1973, pp. 190-93.

The Prime Ministers reviewed important developments in the international situation and were happy to note the identity of their views and similarity of their approach in most matters. They welcomed the general trend towards relaxation of tensions in various parts of the world and expressed the hope that the trend would develop further and favourably influence other areas in the world. They noted the development of close cooperation among neighbouring countries in different continents and expressed their desire for promoting such cooperation in Asia. They agreed that such regional cooperation would most effectively pave the way for wider cooperation among non-aligned countries, Afro-Asian countries, developing countries generally and members of the United Nations.

The Prime Ministers welcomed the Paris Agreement of 27 January 1973 on ending the war and restoring peace in Vietnam, and the Agreement of 21 February 1973 on Laos. They hoped that these Agreements would be solemnly honoured and faithfully implemented in the interest of ending the suffering of the people of Vietnam and also of harmony in Asia. In this context the Prime Ministers noted that many problems still remain to be solved before the countries of Indo-China could embark on the path of enduring peace and stability free from foreign interference. They expressed the hope that the world community would contribute to post-war reconstruction of the area.

The two Prime Ministers discussed the situation in West Asia and agreed that the implementation of Security Council Resolution No. 242 of November 1967 by all parties was essential for the restoration of peace and stability in the area.

The Prime Minister of India apprised the Prime Minister of Sri Lanka of the situation in the subcontinent with particular reference to the initiatives taken by India both before and after the Simla Conference for peace and harmony among the countries of the subcontinent. The Prime Minister of India explained the humanitarian considerations which had led to the latest joint Indo-Bangladesh offer. The Prime Minister of Sri Lanka expressed her appreciation of the efforts made by the Indian Prime Minister to arrive at a solution of the outstanding problems. The Prime Ministers expressed the hope that there would be a speedy solution of all the outstanding issues which would enable the countries of the subcontinent to achieve stability and bring about a lasting peace in the region.

The Prime Ministers reiterated their conviction that the policy of non-alignment has a vital contribution to make in the search for an enduring peace and the promotion of a just, stable and equitable international order. They reaffirmed their adherence to the principles of non-alignment and agreed on the continuing validity of this policy despite vicissitudes in the international situation. They agreed that cooperation between non-aligned countries for giving greater viability to their economies would enable them to resist external pressure and greatly strengthen the effectiveness of the forces of non-alignment. The Prime Ministers exchanged views

on the forthcoming Non-Aligned Preparatory Meeting in Kabul in May and the Summit Conference to be held in Algiers in September this year. It was agreed that India and Sri Lanka, who are also members of the Preparatory Committee of the Summit Conference, should continue to be in close touch on various issues concerning the Summit Conference with a view to ensuring its successful outcome. They also agreed that with a view to ensuring solidarity, harmony and effective results the long established practices and procedures at conferences should be adhered to in the true spirit of non-alignment.

The Prime Ministers discussed the current situation in the Indian Ocean area and the possible tensions that could arise through Great Power rivalries and competition in that area. In this connection the two Prime Ministers reaffirmed their support for the Declaration of the Indian Ocean as a zone of peace as contained in the United Nations Resolution 2832 (XXVI). The Prime Minister of India appreciated the initiative of the Prime Minister of Sri Lanka in bringing this matter before the United Nations. They noted with satisfaction the establishment of the United Nations Ad Hoc Committee on the Indian Ocean which will study the implications of the Declaration and the practical measures that will have to be taken in furtherance of the Declaration. They were gratified at the growing support for the proposal by an increasing number of countries. The Prime Ministers of India and Sri Lanka agreed that the creation of a zone of peace in the Indian Ocean will be a positive step towards the reduction of tensions and rivalries in this region. The two Prime Ministers agreed that the littoral and hinterland States of the Indian Ocean should coordinate their efforts for the successful implementation of this proposal.

The Prime Ministers expressed concern about the deteriorating position of the developing countries *vis-a-vis* the developed countries. They felt that the developing countries must work closely together to secure reduction of the widening gap between the developed and the developing nations. They expressed particular concern over the continuing fall in the prices of their exports of primary commodities and felt that joint action should be taken to arrest this adverse trend. The two Prime Ministers also expressed their conviction that the developing countries must progress rapidly towards self-reliant growth to ensure their independence and security. The two Prime Ministers stressed the need for the developed countries to take urgent action for the effective implementation of their obligations in terms of the International Development Strategy for the Second United Nations Development Decade and the adoption of policies and measures directed towards assisting the developing countries in the attainment of their economic objectives.

Reviewing bilateral relations, the two Prime Ministers expressed their satisfaction over the development of their political and economic relations. The two Prime Ministers reiterated their determination to further strengthen their cooperation in all spheres of Indo-Sri Lanka relations.

The two Prime Ministers resolved to promote greater economic cooperation between India and Sri Lanka. In this connection they took note of the feasibility studies in respect of glass, refractories, graphite-based industries, rubber manufactures and mica industries submitted by Indian Consulting Agencies to the Government of Sri Lanka at the instance of the Government of India. The two Prime Ministers felt that development of these industries would contribute towards creating employment opportunities and export potential in Sri Lanka.

With regard to trade, further efforts were necessary to devise ways and means of achieving a relatively high level of mutual trade. It was suggested that the possibility of achieving this through the exchange of new commodities which have not figured in their trade should be explored. They also stressed the need to increase the volume of commodities now exchanged.

The two Prime Ministers reviewed the collaboration of the two countries within the framework of the Indo-Ceylon Joint Committee for Economic Cooperation. They felt that there was great scope for increasing cooperation in various spheres including those of trade, communications, industrial development and irrigation and power. They directed the Joint Committee scheduled to meet in May 1973, to engage in more frequent consultations and to take active and effective steps towards this end.

Recognizing the need to improve the existing communication facilities between the two countries, the Prime Minister of India offered to establish a micro-wave link between India and Sri Lanka, as a part of the Indian Technical and Economic Cooperation programme. The Prime Minister of Sri Lanka welcomed the offer as yet another step for consolidating the links between the two countries.

Both Prime Ministers expressed their intention to implement in letter and spirit the Indo-Ceylon Agreement of 1964.

It was agreed that the rate of repatriation would be progressively increased by ten per cent each year over the figure of 35,000 contemplated in the Agreement.

The Prime Minister of India stated that representations had been received that some potential repatriates to India had experienced difficulties in the matter of their employment and the education of their children. The Prime Minister of Sri Lanka assured the Prime Minister of India that all facilities as contemplated in the Agreement were being afforded to potential repatriates, and suggested that the Indian High Commission could take up such cases with the Government of Sri Lanka.

It was also recognised that it was necessary in the interests of the people concerned, to make an early decision in regard to the status and future of the remaining 150,000 persons, and it was agreed that a decision on this question would be arrived at as soon as possible.

The Prime Ministers also discussed the island of Kachchativu. It was agreed that discussions on this and related matters such as the median line

perience, the advanced countries are racing farther ahead. Yet to maintain our identity, to maintain our freedom, we have to catch up with them. And that is why it is essential that all the countries which share these common difficulties of development should work together to meet the numerous challenges which confront us.

Each country rightly has its own system of government, its own ideology. But in many international forums we find that ideology does not work and those who have always combined against those who do not have. I have found this pattern repeating itself time and again in international forums. The 'have' countries, the affluent countries, combine with one voice. But we the 'have not' countries do not speak with one voice. Our case gets weakened, and whatever we could have got out of a particular situation does not materialise. While friendship has a many sided meaning, we should not ignore the practical side in contemporary life, any more than we should ignore the more idealistic aspect.

Many people of Indian origin have settled in Sri Lanka. They are hard-working. They are working for the welfare of the people here, and strengthening the economy. I hope they will continue to do all they can with full loyalty to Sri Lanka. It is in this that their future lies, and it is to the advantage of Sri Lanka also if they make full use of this potential.

I spoke earlier of the Industrial Revolution in the western countries. They had other revolutions also, one after another. First, there was the Industrial Revolution, during which the masses were uneducated and there was no political consciousness, and hence no political demands. Therefore, it was very easy for them to develop industry. By exploiting the people they could build up factories. When the machines became more complex and sophisticated, they realised that the industrial workers should get education so that they would be able to work as skilled workers. When they got education, ideas of equality, justice, equal rights and certain basic facilities came to the fore. But in India, we have started off at the other end. We started with the political movement, which was not the movement of a few political leaders but the movement of the vast masses and millions of Indian people. They gained political consciousness first, and joined the fight for political freedom. When we are fighting for economic freedom and trying to establish an economic base, naturally their first thought is of their rights. They are of course justified. We do not want to deny anybody's right. But it means that our task of economic development becomes more difficult than it was for countries which developed in an earlier century. Those countries not only took advantage of the situation in their country but also exploited all of us here, whether in India, Sri Lanka or the other countries over which they ruled. So in our countries we have a situation in which several revolutions are taking place simultaneously.

The political revolution is not over. Although we have political freedom, the fight for political rights for all the people continues. Then there is an economic revolution, which is in full swing. There is also a social revolu-

crisis, such as drought or earthquake or anything like that.

Already there is a perceptible change. Earlier there were parties which spoke against socialism. But today, whatever they feel in their hearts, they cannot publicly say they are against socialism. That is because people understand that socialism is the only path which can bring social and economic justice to them. Any government that does not go ahead in this manner will just not be tolerated.

We find that as a people sometimes we tend to be lethargic when things are going all right. But whenever there is a crisis, there is a tremendous desire for everybody to work together. In a manner our greatest progress has come out of periods of crisis. It is when we had the last drought in 1966-67 that we put into action those programmes for agricultural development which enabled us to become fully self-sufficient in food a couple of years ago. Now it is true that because of another very severe drought this year, we were not able to keep up to that self-sufficiency, but we have very nearly kept up to it. Some years ago, a drought of this nature would have meant a virtual collapse. But this year we were able to manage with only very marginal imports. In spite of the drought, we hope to have about 102 million tonnes of food grains because of the special measures we adopted. If the rains had been normal, we would have had 112 million tonnes. Even so the increase from the previous years is substantial.

Similarly, in spite of a certain sluggishness of the economy, industry is progressing. Our objective is not just to see that industry grows, but to see that new industries come up in the so-called backward and neglected areas. Secondly, we want to see that what is produced should not benefit just a section of the population but there should be proper distribution so that it benefits all the people. Unless we are able to do that, freedom will have no meaning to the masses of the people.

We have 83 million children in schools today. Yet we cannot have compulsory education because we just do not have enough schools or enough teachers. But year by year, even month by month, the number of children who go to school and the number of school buildings are increasing. You can see the magnitude of the problem which we face. The very size of the country, the diversity of the people, and the different levels of development are some of the obstacles to a faster growth. But there is also a basic feeling of oneness, a basic commitment to certain ideals, such as the ideal of democracy, the ideal of socialism (because we believe that there can be no democracy without socialism on the domestic front) and the ideal of what we call secularism (that is, equal opportunities for all religions of our country).

If we have friendship with other countries then we ourselves are strengthened. We are also in a position to help our neighbours and other friends. It is by mutual cooperation and working together on international issues that each of us can be strong enough in ourselves and we can best safeguard our independence and our security. Even though we aim at self-sufficiency, we know that in the world of today, no country, however big

or however rich, can live in isolation. There has to be a certain amount of give and take. But such interdependence will be successful only if at the same time each country is fully independent in its actions and its policies. This is what we are aiming at. The greater the friendship and cooperation, the greater the chances for our peoples to have a better deal and to concentrate their energies on progress and development. At the same time we feel strongly that the development in India has to be of an Indian nature. We do not want to have the kind of society which is developing in affluent countries. *Perhaps we may have something to offer to the world but we can do so only after we have made a success of our own plans.*

I am specially glad that this meeting is being held in this beautiful hall named after Sri Ramakrishna Parmahansa. His teaching has great relevance to the problems which we face today. Many of our religious leaders, specially Sri Ramakrishna Parmahansa, laid great stress not on spirituality by itself, but on service of the sick, the hungry, the poor, the ignorant. This is what he taught Swami Vivekananda. This is the message he wanted Swami Vivekananda to spread. It is on this principle that the order of Sri Ramakrishna and the Missions were founded. They are continuing to serve the community wherever they happened to be. Because we live in poorer countries, we seem to think that such services are perhaps necessary only *here*. But I have discovered, quite recently I must say, that many of our service organizations are now opening branches in the very affluent and rich countries, not to help the poor Indians or Africans or others who live there, but to help the local people. They say there is equal need for service, whether it is London or New York or some other big city. The need for service does not go even with affluence. I am glad that our people are able to provide it. Where they go they create a spirit for service of people helping each other.

So we want a synthesis between the material needs of people and the spiritual needs of people. I think this is what the Ramakrishna Mission is trying to do and thereby trying to evolve a better type of society. It is no use having more material goods if by having them you become more dissatisfied and frustrated and unhappy. The only point of having them is that you should be able to derive satisfaction and fulfilment from them. And this is what our societies should attempt, with our rich spiritual and cultural heritage.

I should like once more to thank you all for your warm welcome. May I give you my very good wishes for your future.

65. Press Note Issued on the Third Meeting of the Indo-Sri Lanka Sub-Committee on Economic Cooperation, New Delhi, 27 August 1973.*

(Full Text)

At the invitation of the Government of India, a high-level delegation from Sri Lanka visited India from August 23 to 28, 1973 consisting of:

H.E., Dr. H. A. De S. Gunasekera, Secretary, Ministry of Planning and Economic Affairs.

H.E., Mr. M. Sivanathan, Secretary, Ministry of Industries & Scientific Affairs.

Mr. S. Velayutham, Deputy Director, External Resources Division, Ministry of Planning and Economic Affairs.

The Sri Lanka delegation was joined by G.D.I.G. Seneviratne, Deputy High Commissioner and Dr. A. H. Mirande, Third Secretary, Sri Lanka High Commission in New Delhi.

The leader of the Sri Lanka delegation accompanied by H.E., Mr. M. Sivanathan called on Shri Swaran Singh, Minister of External Affairs, Shri D.P. Chattopadhyaya, Minister of Commerce, Prof. S. Chakravarty, Member, Planning Commission, Shri B.D. Pande, Cabinet Secretary, Shri Kewal Singh, Foreign Secretary, Prof. P.N. Dhar, Secretary to the Prime Minister, Shri M.G. Kaul, Secretary, Economic Affairs, and Shri Mohd. Yunus, Secretary, Internal Trade, Ministry of Commerce.

During this visit, the Third Meeting of the Indo-Sri Lanka Sub-Committee on Economic Cooperation took place, and a review was made of the economic, commercial, technical and scientific ties between the two countries. The Indian delegation at that talks was led by Shri B.K. Sanyal, Additional Secretary, Ministry of External Affairs.

Both sides took satisfaction at the substantial progress of the implementation of the recommendations of the Second Meeting of the Sub-Committee which had taken place in May 1973. Discussions covered possibilities of cooperation in the industrial development in Sri Lanka, in the fields of mica and sugarcane, and in the exchange of scientific and technological information. It was agreed that exchanges of expert delegations would be useful in the spheres of trade, animal husbandry, small scale industries, science and technology, sugarcane, shipping and telecommunications. An Agreement was signed providing for a further credit of Rs. 50 million to Sri Lanka.

The leaders of the two delegations discussed in detail ways and means of further expanding the areas of economic cooperation. It was decided to recommend to the two Governments the appointment of a technical committee to study these matters further.

**Foreign Affairs Record*, August 1973, pp. 209-10.

Part III

India and Asia

A. East Asia

B. South East Asia

C. West Asia

D. Indian Ocean

A. East Asia

(i) Japan

66. Joint Press Statement by India and Japan, Tokyo, 10 January 1973.*

(Full Text)

His Excellency, Sardar Swaran Singh, Minister of External Affairs of the Republic of India, paid a goodwill visit to Japan from 6th to 10th of January 1973, in response to an invitation of the Government of Japan. The Minister of External Affairs of India was accompanied by His Excellency Shri M.S. Pathak, Member of the Planning Commission, Shri V. V. Paranjpe, Joint Secretary, East Asia Division, Ministry of External Affairs and assisted by His Excellency Shri S. Thiruvengada Than, Ambassador of India in Japan. His Excellency Mr. Masayoshi Ohira, Minister for Foreign Affairs of Japan was assisted in the discussions by His Excellency Mr. Taisaku Kojima, Ambassador of Japan in India, Mr. Shinasaku Hogen, Vice-Minister for Foreign Affairs, Mr. Kenzo Yoshida, Director-General of Asian Affairs Bureau, and Mr. Kiyoshita Mikanagi, Director-General of the Economic Cooperation Bureau, Ministry of Foreign Affairs.

His Excellency Sardar Swaran Singh was received in audience by His Majesty the Emperor at the Imperial Palace on 9 January 1973, and during his stay in Japan, called on His Excellency Mr. Kakuei Tanaka, Prime Minister, His Excellency Mr. Takeo Miki, Deputy Prime Minister, His Excellency Mr. Kiichi Aichi, Minister of Finance, His Excellency Mr. Yoshio Sakurachi, Minister of Agriculture and Forestry, His Excellency Mr. Yasuhiro Nakasone, Minister of International Trade and Industry, and His Excellency Mr. Zentaro Kosaka, Minister of State for Economic Planning.

The two Foreign Ministers had a very friendly exchange of views on 8th and 9th of January in an atmosphere of utmost cordiality on a wide range of subjects of common interest to both the countries. The two Foreign Ministers reviewed the historic developments that had taken place in Asia and the world, particularly in the years 1971 and 1972.

*Foreign Affairs Record, January 1973, pp. 20-21.

They welcomed the general trend towards relaxation of tensions in the various parts of the world and the detente noticeable particularly in Asia and Europe, and expressed the hope that this trend would see a further development and have favourable influence upon other areas of the world.

His Excellency Sardar Swaran Singh welcomed the normalisation of Japan's relations with the People's Republic of China and expressed his belief that it would contribute to peace and stability in Asia.

His Excellency Mr. Ohira expressed his earnest hope that Indo-Pakistan issues would be settled peacefully and through bilateral negotiations as envisaged in the Simla Agreement and wished the efforts all success.

The two Foreign Ministers reviewed bilateral relations and welcomed the growing desire on both sides to expand the economic and technological cooperation between the two countries. They discussed the specific steps to be taken in that direction. The two Foreign Ministers believed that the activities of the Indian and the Japanese Committees for Studies on the economic development in India and Japan could make a valuable contribution to promoting greater understanding and exchange between the two countries and therefore deserved further assistance.

The Minister of External Affairs of the Government of India expressed his sincere appreciation to the Government and the people of Japan for the cordial welcome and warm hospitality extended to him and his party during their stay in Japan.

His Excellency Sardar Swaran Singh extended a cordial invitation to the Japanese Minister for Foreign Affairs to visit India. His Excellency Mr. M. Ohira gladly accepted the invitation and expressed the hope that he would be able to visit India in the near future at a mutually convenient time.

67. Joint Press Release Issued at the Conclusion of the Eighth Consultative Meeting of the Officials of the Japanese and Indian Foreign Ministries, Tokyo, 17 May 1973.*

(Full Text)

The eighth Consultative Meeting of the officials of the Ministry of Foreign Affairs of Japan and the Ministry of External Affairs of India, took place at the Ministry of Foreign Affairs in Tokyo on May 16 and 17, 1973.

The Indian delegation was led by H.E., Mr. V. C. Trivedi, Secretary, Ministry of External Affairs and included H.E., Mr. S. Thiruvengada Than, Indian Ambassador to Japan, Mr. V. V. Paranjpe, Joint Secretary, Ministry of External Affairs, Mr. S. Hashmi, Director, Ministry of External Affairs, Mr. S. E. Joshi, Counsellor, Embassy of India, Mr. V. C. Khanna, Secretary, Embassy of India and was assisted by other officials of the Indian Embassy.

**Foreign Affairs Record*, May 1973, p. 206.

Discussions at the meeting were friendly and constructive; and underlined the importance of Indo-Japanese cooperation for meeting the challenge of poverty and its resultant tensions and instability in Asia and other parts of the world. Both sides were of the view that more efforts should be made to bring the peoples of the two countries together through mutual understanding such as exchange of scholars and improvement of communication.

The meeting came to the unanimous conclusion that present was the most appropriate time for further expanding cooperation not only in trade and investment but also in cultural exchange.

Prof. Nakayama, Chairman of the Japan Committee outlined to newsmen discussions the two Committees had during the last three days. Answering a question whether the Japan Committee was now satisfied on any fear of nationalisation of enterprises with the Japanese collaboration in India, Prof. Nakayama said that any fears on this score had been set at rest by Prime Minister Indira Gandhi during Mr. Nagano's visit to India last December and even earlier. He said while prospective investors still had some misgivings, these had largely been removed.

Shri B.R. Bhagat, Chairman of the India Committee, explained to pressmen that nationalisation in India was not on ideological grounds or just for the sake of nationalisation but represented a pragmatic approach. It was resorted to for conserving national resources or to prevent closure of plants due to mismanagement, lack of necessary modernisation, etc., and to prevent unemployment resulting from closure. He cited the example of the takeover of certain textile mills by the Indian Government as an instance. He also explained that nationalisation of Indian banks was done mainly in the interests of rural development such as provision of credit facilities for agriculture and rural industries and to satisfy credit needs of small and medium sector industries. Foreign-owned banks were not taken over because they were not expected to play a role in fulfilling rural credit needs. This again proves that India's approach was essentially pragmatic.

Shri Bhagat recalled the Japanese Foreign Minister's statement at the recent ECAFE session stressing the importance of agricultural development in the Asian region. There was great scope for Japanese collaboration in the field of fertilizer production and also in industrial field to manufacture items for export to third countries, to fill gaps in the Indian economy and to manufacture labour intensive products for import into Japan. He also referred to the phenomenal progress made in Japan since the second world war and the progress made in India and said that the new situation in Asia called for greater cooperation among countries of the region.

(ii) *Korea*

69. Minister of State in the Ministry of External Affairs, Surendra Pal Singh's statement in both Houses of Parliament, New Delhi, 10 December 1973.*

(Full Text)

As the House is aware, the end of World War II saw the emergence of two independent governments in the two parts of Korea. While we have always shared and supported the aspirations of the Korean people for a unified Korea through peaceful bilateral negotiations and without outside interference, the two Governments have come into their own and have established themselves over the course of the past quarter of a century. The Government of India accordingly established consular relations with both Koreas in 1962 and since then our relationship with both Korean Governments has been developing satisfactorily. Particularly noteworthy has been the increase in our economic cooperation as also the exchange of delegations and visits of responsible leaders with the two countries.

Apart from historical and cultural ties dating over the centuries, India has played a constructive role in Korean affairs since the early fifties. India contributed actively towards the cessation of the unfortunate war as well as towards the solution of the problems arising out of the war.

For some time past both Koreas have been seeking our diplomatic recognition and the Government of India has decided that the time is now opportune for according diplomatic recognition to the two Governments, particularly since they control between themselves a population of around fifty million people and have already been diplomatically recognised by a large number of countries.

With a view, therefore, to promoting further friendly relations and all-sided cooperation, the Government of India has decided to raise the level of our representation in both Koreas. I am glad to announce that the two Korean Governments have concurred in this decision. The Government of India has agreed to establish diplomatic relations with both Korean Governments as of today. Appointment of Ambassadors will take place in due course according to the convenience of each country.

(iii) Mongolian People's Republic

70. Prime Minister Indira Gandhi's Speech at a banquet in Honour of His Excellency, Mr. Yumjagiin Tsedenbal, Chairman of the Council of Ministers of the Mongolian People's Republic, New Delhi, 24 February 1973.*

(Full Text)

It is a privilege to have in our midst His Excellency Yumjagiin Tsedenbal, eminent leader of a people with whom we have close ties of friendship and himself a friend of long standing.

Your country will soon complete 50 years of the proclamation of the People's Republic. Although our diplomatic relationship is comparatively recent, the link between our two lands is an ancient one and has enriched our respective histories. Centuries ago Buddhist scholars and pilgrims travelled between our two countries as did traders carrying rich merchandise. Later, for many decades, Mongolia was the political centre of the then known world. I remember as a young girl reading with wonder my father's letters which told the story of 'the amazing Mongol people who suddenly burst forth and astounded the world' (to quote his own words). From him I learnt that the word 'Bahadur' which we use to denote a brave man, is derived from a Mongol root (Bagatur). So in my mind your land has always remained associated with courage. My father used to tease the late Prime Minister (Shri Lal Bahadur) that his name was the same as 'Ulan Bator.'

Your Excellency, we have pleasant memories of your earlier visit to India in 1959. You had occasion then to travel to various parts of our country to see for yourself the work which was being done in various fields of national development. Against that background you will now be able to evaluate the further progress we have made in the intervening years.

I look back with nostalgia on my very brief visit in 1965 to Ulan Bator, with its vast open spaces and its revitalising air. I participated in your National Day function. The people were engaged in building a modern socialist state with great energy. My colleagues, who have been in your country more recently, have informed me of the strides made in your capital city and the entire country.

We are glad that trade between our two countries has grown under the trade agreement of 1968. Mongolia's participation added colour and interest to the Asian Trade Fair which was recently held in Delhi. As a result of the cultural agreement of 1961 our cultural relations have become closer. We are pleased that many Mongolian teachers and students have been coming to India. I hope that more Indian scholars will go to Mongolia.

**Foreign Affairs Record*, February 1973, pp. 55-56.

the Chairman of the Council of Ministers of the Mongolian People's Republic, His Excellency Mr. Yumjagiin Tsedenbal, paid an official and friendly visit to India from February 23 to March 1, 1973. He was accompanied by His Excellency Mr. Tumenbayaryn Ragchaa, First Deputy Chairman of the Council of Ministers of the Mongolian People's Republic, His Excellency Mr. Londongyn Rinchin, Minister for Foreign Affairs of the Mongolian People's Republic, His Excellency Mr. Buyantyn Dashtseren, Ambassador of the Mongolian People's Republic to India, and Mr. Puntsagyn Tserentsoodol, Head of the Third Division of the Ministry of Foreign Affairs of the Mongolian People's Republic.

The Mongolian Prime Minister and party visited various industrial and agricultural projects and establishments as well as places of historical and cultural interest in New Delhi, Chandigarh and Simla.

H.E. Mr. Tsedenbal and party were accorded a warm and cordial welcome by the Government and the people of India wherever they went, testifying to the deep friendly feelings and close bonds which unite the two countries.

The Mongolian Prime Minister and his party expressed their admiration at the achievements of the Indian people in diverse fields of socio-economic transformation and national development.

During the visit H.E., Mr. Yumjagiin Tsedenbal called on Vice-President Shri G.S. Pathak and held extensive discussions with Prime Minister Shrimati Gandhi.

Participating in the talks from the Mongolian side were:

His Excellency Mr. Yumjagiin Tsedenbal, Chairman of the Council of Ministers of the Mongolian People's Republic, His Excellency Mr. Tumenbayaryn Ragchaa, First Deputy Chairman of the Council of Ministers of the Mongolian People's Republic, His Excellency Mr. Londongyn Rinchin, Minister for Foreign Affairs of the Mongolian People's Republic, His Excellency Mr. Buyantyn Dashtseren, Ambassador of the Mongolian People's Republic to India, and Mr. Puntsagyn Tserentsoodol, Head of the Third Division of the Ministry of Foreign Affairs of the Mongolian People's Republic.

Participating in the talks from the Indian side were:

Shrimati Indira Gandhi, Prime Minister of India, Sardar Swaran Singh, Minister of External Affairs of India, Shri Kewal Singh, Foreign Secretary in the Ministry of External Affairs, Shri V.C. Trivedi, Secretary in the Ministry of External Affairs, Shri S. Narboo, Ambassador of India to the Mongolian People's Republic and Shri V.V. Paranjpe, Joint Secretary in the Ministry of External Affairs.

The two Prime Ministers discussed international problems of interest to both countries as well as the present state of Indo-Mongolian relations and their further development. The talks were held in an atmosphere of great cordiality and complete understanding and revealed that the position of

the two Prime Ministers on all issues discussed was either identical or very close.

A Joint Indo-Mongolian Declaration was agreed upon by the two Prime Ministers.

The two sides expressed their confidence that the visit to India by H.E., Mr. Yumjagiin Tsedenbal, Chairman of the Council of Ministers of the Mongolian People's Republic, would make an important contribution to further consolidation of friendly relations between Mongolia and India and their peoples in the interests of peace and security in Asia and the world.

H.E., Mr. Yumjagiin Tsedenbal, Chairman of the Council of Ministers of the Mongolian People's Republic, expressed his sincere thanks to the Government of India and personally to Shrimati Indira Gandhi for the warm and hearty welcome accorded to him and his party.

The Chairman of the Council of Ministers of the Mongolian People's Republic renewed his invitation to Shrimati Indira Gandhi to visit Mongolia at a time convenient to her. The Prime Minister of India accepted the invitation with thanks.

72. Joint Communiqué Issued at the end of the Visit to India of the Prime Minister of the Mongolian People's Republic, New Delhi, 2 March 1973.*

(Full Text)

H.E., Mr. Yumjagiin Tsedenbal, Chairman of the Council of Ministers of the Mongolian People's Republic, and Shrimati Indira Gandhi, Prime Minister of India, exchanged views on questions concerning India-Mongolia relations as well as international problems of interest to both countries and agreed on the following Joint Declaration.

The two Prime Ministers noted with satisfaction that the friendly relations between the two countries were developing steadily and satisfactorily to mutual advantage.

The two Prime Ministers noted that both sides were guided by a sincere desire to develop and strengthen the close ties between the Indian and the Mongolian peoples which have at present evolved into relations of friendship and cooperation between the two countries. Both sides also believed that further development of friendly relations between them met the national interests of the two peoples and contributed to international peace and security in Asia and the world.

India and Mongolia will be guided in their bilateral and international relations by the following principles:

- (i) All-round development and consolidation of friendship and cooperation in political, economic, cultural, scientific and technological fields;

**Foreign Affairs Record*, March 1973, pp. 125-27.

- (ii) Adherence to the principles of peaceful co-existence between States with different social systems;
- (iii) Respect for independence, sovereignty, territorial integrity and inviolability of state borders;
- (iv) Equality and non-interference in internal affairs;
- (v) Settlement of disputes by peaceful means and renunciation of the use or threat of force;
- (vi) All-round cooperation in the United Nations and other international organisations;
- (vii) Pursuit of a policy of cooperation between India and Mongolia and peaceful and friendly cooperation between Asian States; and
- (viii) Regular holding of mutual consultations and exchange of views at various levels on questions of interest to both countries.

In the course of the talks on the international situation, special attention was paid to the situation in Asia. The two Prime Ministers agreed that in order to establish a lasting peace in Asia, it was essential to seek settlement of inter-state disputes through peaceful negotiations and to lay down a firm foundation for expanding cooperation between Asian States. India and Mongolia reaffirmed their determination to make every effort towards achieving peace and security in Asia.

Both sides recognised the importance of normalising the situation in the Indian subcontinent with a view to establishment of durable peace. Prime Minister Tserdenbal welcomed the conclusion of the Simla Agreement and subsequent efforts made by India to implement the Agreement like withdrawal of troops with a view to setting in motion constructive steps for normalising the situation. He congratulated the Indian Prime Minister on her initiative to solve the problems of the Indian subcontinent through direct and peaceful negotiations. Both Prime Ministers expressed the hope that on the basis of recognition of the existing political realities by all the States concerned, these efforts will result in the speedy establishment of durable peace in the region.

Both Prime Ministers believed that admission of the People's Republic of Bangladesh to the United Nations would consolidate peace and cooperation in the Indian subcontinent. They agreed that any attempt to ignore realities only led to tension and instability in the area.

The two Prime Ministers warmly welcomed the signing of the Agreement on Ending the War and Restoring Peace in Vietnam at Paris on January 27, 1973, and expressed their admiration for the heroic people of Vietnam. They also welcomed warmly the signing of the Agreement on the Re-establishment of Peace and National Concord in Laos at Vientiane on February 21, 1973. They hoped that the signing of these Agreements would open the way leading to peace in Indo-China as a whole and easing of tensions in Asia and the world. The two Prime Ministers considered that the Agreements should be strictly observed by all parties and that the people of Indo-China should be enabled to shape their future without any

outside interference and in accordance with their own national interests.

The two Prime Ministers expressed their concern at the grave situation that continued to exist in the Middle East. They reiterated their support for the establishment of a permanent and just peace in the Middle East.

Both sides welcomed the growing trend towards general detente now noticeable in Europe. The two Prime Ministers considered that the convocation of an All-European conference on security and cooperation would be an important step towards strengthening peace and fostering better understanding in Europe and the world.

The two Prime Ministers re-affirmed their allegiance to the principles of the U.N. Charter and agreed to work for strengthening the Organisation and its effectiveness in every possible way.

The two Prime Ministers expressed their determined support to efforts to bring an end to the arms race, to the attainment of general and complete disarmament, including nuclear and conventional weapons, under strict international control. They were of the opinion that holding of a World Conference on Disarmament in the near future with the participation of all countries would be most desirable.

The two Prime Ministers resolutely condemned colonialism and racialism and reiterated their determination to seek final eradication of these two evils.

The Mongolian Prime Minister expressed appreciation and support for the policy of peace, non-alignment and friendship among nations pursued by the Government of the Republic of India headed by Prime Minister Shrimati Indira Gandhi.

The Indian Prime Minister expressed her appreciation of the role played by the Prime Minister and the Government of Mongolia in pursuing a sustained policy of peace, friendship and cooperation with all countries.

B. South East Asia

(i) Australia

73. Prime Minister Indira Gandhi's Interview to Australian Broadcasting Commission, New Delhi, 26 May 1973.* (Full Text)

QUESTION: Mr. Whitlam is coming to India before he visits the more traditional areas of interest in Asia—Singapore and Malaysia. Why do you think this apparent priority is being given to India?

PRIME MINISTER: May I first of all say how delighted we are that Mr. Whitlam and Mrs. Whitlam are coming here so soon after taking over office.

Well, Mr. Whitlam has broken many traditions, hasn't he? And I saw in one of his statements that he wants to give greater importance to relationship with India, which we certainly welcome very much.

QUESTION: What does Australia mean to India?

PRIME MINISTER: Well, it is a friendly country with whom we have no problems. In other spheres too, our Parliament and our courts are often quoting precedents from what happens in Australia. To our younger people, Australia has been a centre of sport and of cricket heroes and now, of course, also of tennis, music and so on. To us, it is a friendly country and one that is important in the region.

QUESTION: In 1968 in Canberra you said Australia could act as a bridge between developing Asia and the affluent countries of the world. Is Australia doing that?

PRIME MINISTER: You know it is very difficult to judge in that way. But there is a gap between understanding of the affluent nations and developing nations of particular problems, and the richer nations find it very difficult to see the problems from our point of view. We sincerely hope that Australia will help in making things easier for trade, for instance, for the developing nations. Australia has done something with regard to tariff but it is marginal probably.

QUESTION: You believe it could do more?

*Press Information Bureau, Government of India, New Delhi, 2 June 1973.

PRIME MINISTER: I think so, yes.

QUESTION: Mr. Whitlam has proposed the establishment of a regional forum of Asian and Pacific powers, free from ideological overtones. He proposes that it should include China and Japan. What are India's views on such an organisation?

PRIME MINISTER: We are always for any kind of economic cooperation but we have kept out of any defence or security groupings because we feel that rather than solve anything, sometimes they create a reaction and then tensions grow. But I would not like to comment on this until I know more about it and perhaps have a talk with the Prime Minister.

QUESTION: Australia's change of governments has led to some significant changes in foreign policy. How does India view these changes?

PRIME MINISTER: We think they are good changes especially in so far as India is concerned. That is, you said a little while ago yourself that Mr. Whitlam is coming to India first. And we have always wanted friendship with Australia and closer relations and we have regarded Australia not as a part of Asia, part of something but a continent in itself with its own interests and I believe that Australia's interests are tied up with Asia as well as the Pacific region.

QUESTION: Australia is seeking a relationship with China—more or less a special relationship. Is this worrying India?

PRIME MINISTER: No. We think that it was wrong to ignore China all these years and I think many problems may not have become so acute had a more realistic attitude been taken earlier.

QUESTION: How are India's relations with China now?

PRIME MINISTER: Well, as you know we never broke off diplomatic relations and we would like normalisation of relations. The Chinese sometimes tell us that they would also, but they have been consistently taking an anti-India stand on many occasions and on many issues and we can only say that we hope that they will also face the realities of Asia and that how necessary it is for all of us to work together. Most of us face common problems and nothing is solved by having a provocative attitude or to create tension of any kind.

QUESTION: Both India and Australia now share a common view on the Indian Ocean that it should be a zone of peace and neutrality. Is such a proposal feasible?

PRIME MINISTER: Well, I don't see why not. You know the matter has been taken up in the United Nations and a group of experts is studying. That is what can be done. But I think that if all the countries speak up clearly that they do not want foreign presence, it might help.

QUESTION: Do you see any contradiction in Australia's attitude to the Indian Ocean bearing in mind that there are American Naval installations in Australia?

PRIME MINISTER: I think that is a matter of Australian policy on which I would not like to comment.

QUESTION: But you think that it contradicts the attitude of zone of neutrality.
 PRIME MINISTER: That is for them to decide.

QUESTION: India is undoubtedly the closest to Russia of all the nations bordering the Indian Ocean. What do you believe to be India's intentions in the area?

PRIME MINISTER: India's intentions?

QUESTION: I beg your pardon. I repeat the question. India is undoubtedly the closest to Russia of all the nations bordering the Indian Ocean. What do you believe to be Russia's intentions in the area?

PRIME MINISTER: I don't think they have any intentions other than peaceful. It is true we are friends with Soviet Union. They have helped us economically and for many years it was the only country which supported our industrial development in the public sector which we think is very important for our progress and stability. We formalised this friendship in the shape of a Treaty but it is not at all a military treaty, nor does it have any kind of military overtones, nor does it come in the way of friendship with any other country. I think the whole policies of spheres of influence and balance of power—this is what creates tension and if one country feels that others are doing it, then they also try to do it. But India has always kept out of all this and as you know we have not given and we do not intend to give any bases to any foreign force, including the Soviet.

QUESTION: Nevertheless, Russia does have a presence in the Indian Ocean which could lead to another power perhaps trying to match it. Has India tried to persuade Russia to stay away from the area?

PRIME MINISTER: Well, our attitude and our policy is the same with regard to all nations and if there is a Russian presence a little bit now, it is not due to India in any way, nor is it the first country to come there. There are other presences also.

74. Prime Minister, Indira Gandhi's Speech at a Banquet in Honour of the Australian Prime Minister, New Delhi, 4 June 1973.*

(Full Text)

India is delighted and honoured by this visit of the Prime Minister of Australia and Mrs. Whitlam. I extend a warm welcome to you both and to the other distinguished members of your party. We are glad that Miss Whitlam, a friend of India and specially of Gujarat, has accompanied you. I have no doubt that your visit, Prime Minister, will give India better acquaintance with your country and its people, a people abounding in energy and friendliness. This energy has found expression in the industrial

**Foreign Affairs Record*, June 1973, pp. 214-16.

progress of Australia and its pursuit of excellence in science, arts and sport; the friendliness is evident in your contributions to the Commonwealth and the United Nations and the cooperation you have extended to the efforts of developing countries.

I vividly remember my own visit to Australia, the hospitality of your Government and of your people. Our talks this morning have enabled us to have a clearer understanding of the direction which Australia is taking under your dynamic leadership.

India is regarded as an old country and Australia as a young one. Yet, viewed from another angle, Australia has had a long career as a modern nation—both in terms of harnessing knowledge and technology to the improvement of people's needs in terms of evolving political institutions that foster the human personality. We have learnt from Australia's experience in numerous ways. Australian precedents are cited by our legislators and our courts.

Old or young, nations have constantly to renew themselves. And under you, Australia is undergoing such a renewal.

Your views on racial discrimination and your ideas on brotherhood and cooperation between nations have made a considerable impact on the attention and on the conscience of the world. We welcome your support of the UN Declaration on the Indian Ocean as a zone of peace. Both our countries are opposed to nuclear pollution of the atmosphere, irrespective of its course. We share our desire for greater peaceful cooperation in the Asia-Pacific region. The close and growing similarity in our outlooks encourages us to look forward to closer and wide-ranging relations with an Australia which, as you have said, will be 'a distinctive, tolerant, cooperative and well-regarded nation'.

In our part of the world India and Australia both face a changed and challenging international situation. The relaxation of cold war postures have exposed the hollowness of military alliances but old concepts of balance of power still overshadow us. As a country of pioneers, Australia has a significant contribution to make to the cause of international peace and to a joint endeavour in resolving the world's problems.

For us, in India, this year has been an exceedingly difficult one. The failure of rains has led to shortages of several essential articles. The situation has been further complicated by the scare of scarcity. However, this temporary phase should not blind us to the considerable progress we have made over the last 25 years. The very process of development generates new expectations and creates fresh problems. But we feel as we go along, our capacity to deal with these also increases. We believe that development has primarily to come out of our own labour and savings. But friends and neighbours can help. We appreciate the aid given through these years by many countries including yours. We are conscious that such external assistance is no substitute for self-reliance and that the best aid is that which contributes to self-reliance and growth in the recipient countries. We hope that developed

countries will open their doors a little wider to the products of developing countries in order to promote such healthy self-reliance. Australia has set a good example in this direction.

We also look forward to a greater exchange of visits between parliamentarians, scientists and scholars, sportsmen and artists of our two countries. This will broaden our mutual understanding and build a bridge between our two countries which share common ideals in spite of differences in culture, history and background.

We have admired your realistic approach to the events that have taken place on our subcontinent and are thankful for the aid and support which your generous Government and people have proffered in times of need to those who have suffered. Indeed, it is the same humanitarian motivation which prompts us to take various initiatives to end this tale of suffering, and to try and convert the confrontation and mistrust of the past into an era of trust, cooperation and genuine peace.

Prime Minister, we are indeed pleased that you have come to India within months of assuming the reins of office. Your stay is far too short. Although many of our trees are in blossom to greet you, the month of June—when temperatures rise, the dust swirls and the land and people thirst for rain—is not the best month to see Northern India. Perhaps you will come again at greater leisure to see more of the places where history has left its mark and others where we are now endeavouring to shape the future.

Excellencies, Ladies and Gentlemen, I request you to raise your glasses to the health of the Prime Minister and Mrs. Whitlam, to the success of his great endeavours, to the prosperity of the people of Australia and to the greater friendship between Australia and India.

75. Joint Communiqué Issued at the end of the Visit of the Australian Prime Minister to India, New Delhi, 6 June 1973.*

(Full Text)

At the invitation of Shrimati Indira Gandhi, Prime Minister of India, His Excellency Mr. Edward Gough Whitlam, Q.C., M.P., Prime Minister of Australia, visited India from 3 to 6 June 1973. He was accompanied by Mrs. Whitlam and senior officials of the Government of Australia.

During his stay in Delhi, the Prime Minister of Australia was received by the President of India.

The Prime Minister of Australia had extensive discussions with the Prime Minister of India. The Minister of External Affairs, the Minister of Finance, the Minister of Agriculture, the Minister of Planning and the Minister of Commerce called on the Prime Minister of Australia and discussed matters of mutual interest. The talks were held in an atmosphere of friendship and

**Foreign Affairs Record*, June 1973, pp. 218-20.

mutual understanding and covered a wide range of subjects dealing with important international questions and bilateral relations. These discussions revealed a close similarity of views and approach between the Governments of Australia and India.

The Prime Ministers of India and Australia welcomed the general relaxation of tension in the international situation. They felt that this detente presents opportunities for consolidating peace and freedom and for taking constructive steps towards social and economic progress in a climate of international cooperation. They expressed the hope that all remaining differences, particularly in the areas of conflict, would be resolved peacefully and in accordance with the principles of national sovereignty, territorial integrity and non-interference in the internal affairs of States, thereby ensuring harmony among nations and a stable pattern of international relations.

The two Prime Ministers reaffirmed their faith in the purposes and principles of the United Nations Charter. They declared their intention to maintain active cooperation in the United Nations, particularly in the *Security Council of which both countries are currently Members*.

The two Prime Ministers exchanged views on regional cooperation. They reaffirmed the importance attached by their respective Governments to increasing regional cooperation and the contribution that such cooperation can make to easing international tensions, to broadening understanding among nations and to the economic and social advancement of countries in the region. In this context, the Prime Ministers noted the important contribution made to these objectives by such organisations as the Colombo Plan, the Economic Commission for Asia and the Far East and the Asian Development Bank. The support of both India and Australia for the Kuala Lumpur Declaration of 27 November 1971 calling for a Zone of Peace, Freedom and Neutrality in South East Asia was reaffirmed.

Both the Prime Ministers welcomed the Paris Agreement of 27 January, 1973, on Ending the War and Restoring Peace in Vietnam and the Agreement on Restoring Peace and Achieving National concord in Laos signed in Vientiane on 21 February 1973. The Prime Ministers underlined the need for strict observance of these Agreements so as to open the way to peace in all the countries of Indo-China and to enable the peoples of those countries to settle their affairs themselves without outside interference. Both Prime Ministers reaffirmed their willingness to contribute to the rehabilitation and reconstruction of this region.

The Prime Minister of India outlined the recent developments in the subcontinent since the conclusion of the Simla Agreement, including the Indo-Bangladesh Joint Declaration of 17th April, 1973, as well as India's efforts for achieving a just and durable peace leading to good neighbourly relations and cooperation among all the States in the subcontinent. The Australian Prime Minister welcomed the Indo-Bangladesh Joint Declaration as a positive initiative and, while recognising the complexity of the issues involved, expressed the hope that further progress would soon be

made which would lead to the normalisation of relations and the establishment of a durable peace in the subcontinent.

The two Prime Ministers expressed concern at the grave situation in the Middle East and reaffirmed their belief that the United Nations Security Council Resolution 242 of 22 November 1967 provided the basis for a just and durable settlement of this serious and long outstanding problem.

The Prime Ministers discussed the current situation in the Indian Ocean area. They both agreed that the area should be free from international tensions, great power rivalry and military escalation. In this connection, the two Prime Ministers reaffirmed their support for the concept of the Indian Ocean as a zone of peace. They noted with satisfaction the establishment of the United Nations Ad Hoc Committee on the Indian Ocean and the growing support for the proposal by an increasing number of countries. The Prime Ministers of Australia and India agreed that the creation of a zone of peace in the Indian Ocean would be a positive step towards the reduction of tensions and rivalries in this region and agreed to cooperate bilaterally and with all States concerned towards this end.

The two Prime Ministers reaffirmed their belief in the equality of mankind irrespective of race or colour. They expressed their abhorrence of policies of racial discrimination, such as apartheid, which flagrantly violate the United Nations Charter. The Prime Minister of India noted with appreciation that Australia had resumed membership of the UN Decolonization Committee and that Australia had signed and was now taking steps towards ratifying the International Convention on the Elimination of all Forms of Racial Discrimination.

The Prime Minister of Australia informed the Indian Prime Minister of the strong opposition of the countries of the South Pacific to the current and proposed programme of atmospheric tests of nuclear weapons in the area. Both Prime Ministers, mindful of United Nations endorsement of the Partial Nuclear Test Ban Treaty, the resolution of the United Nations Conference on the Human Environment held in Stockholm in June 1972 and the resolutions of the United Nations General Assembly, and of the World Health Assembly in May 1973 on the harmful effects of ionizing atomic radiation, reiterated their opposition to the testing of nuclear weapons in all environments and in particular to atmospheric testing by whatever nation.

Views were exchanged on matters concerning the Law of the Sea, and it was agreed that officials of the two countries would maintain close contact with a view to identifying their common interests before the 1974 Law of the Sea Conference.

The two Prime Ministers expressed concern at the increasing gulf between the developing and the developed countries of the world. They were of the view that the gap must be reduced and eventually bridged in the interest of peace and harmony among nations. They also emphasised that the launching of the International Development strategy of the United Nations Second Development Decade, enjoining the developed countries to help

reduce the growing economic disparity between developed and developing countries, was a significant landmark in international economic cooperation. They expressed the hope that the developed countries would fulfil their obligations under the International Development Strategy. The Australian Prime Minister stated that his Government not only intends to expand the present programmes of assistance in Asia, to the Pacific and Africa but is also giving consideration of further changes in Australia's preferential trade with developing countries.

The Prime Ministers welcomed the enlargement of the European Communities and hoped that the Communities would adopt a liberal and outward-looking approach which would contribute to international development and world peace. They noted that Australia and India would be looking to the Communities to play a positive part in the forthcoming GATT multi-lateral trade negotiations and recorded the importance which they attach to the need for these negotiations to deal with the problems facing world trade in agricultural commodities in a satisfactory and equitable manner.

The two Prime Ministers expressed their satisfaction with the continuing warm and friendly relations between Australia and India and reaffirmed their desire to intensify cooperation in all fields.

Both Prime Ministers welcomed the opportunity for consultations and exchange of views afforded by the annual Australia/India Officials' talks. It was decided that the next session would take place in Canberra towards the end of the year. The two Prime Ministers agreed on the benefits of expanding contacts between representatives of Australia and India in all regional and international forums.

The Prime Ministers welcomed the development of cultural exchanges between India and Australia since the signing of the India-Australia Cultural Agreement in 1971. They expressed their desire to see a further extension in the number and variety of these exchanges at all levels. In particular they looked forward to the further development of links between universities in the two countries, both in the scientific area where there was much common experience to be shared, and in the field of the humanities as a contribution to a better knowledge of each other's history and culture.

The two Prime Ministers emphasised the importance of greater collaboration in economic, technical and scientific fields, the desirability of securing greater diversification of economic relations and the possibility of joint ventures. The Prime Minister of India expressed the Government of India's appreciation of Australian assistance to economic development in India particularly Australian involvement in long-range agricultural development programmes. The Australian Prime Minister stated his Government's intention to maintain and if possible to expand its participation in India's economic development.

The two Prime Ministers expressed their complete satisfaction with the results of their discussions.

The Prime Minister of Australia expressed his warm appreciation of the

hospitality shown to him and the members of his party during his visit. He extended an invitation to the Prime Minister of India to visit Australia again. The invitation was accepted with pleasure. The dates of the visit would be settled by mutual consultation.

(ii) Indonesia

76. Joint Communiqué Issued on the Visit to India of Indonesian Minister for Foreign Affairs, Dr. Adam Malik, New Delhi, 3 April 1973.*

(Full Text)

At the invitation of Sardar Swaran Singh, Minister for External Affairs of the Republic of India, His Excellency Dr. Adam Malik, Minister for Foreign Affairs of the Republic of Indonesia, visited India from April 1 to 5, 1973. He was accompanied by Madame Malik and senior officials of the Government of the Republic of Indonesia.

The visit was in the framework of the annual meetings held between the Foreign Ministers of the two countries. During the visit the Foreign Minister was received by the President and the Prime Minister of India. He also met the Minister of Planning, Shri D.P. Dhar.

The two Foreign Ministers held talks on April 2 and 3 in an atmosphere of cordiality and mutual understanding. They discussed bilateral relations and recent international developments of mutual interest. The discussions revealed similarity in the position of both Governments on various issues. The Minister for Foreign Affairs of Indonesia was assisted by Mr. R.B.I.N. Djajadiningrat, Director General of Foreign Office; Lieut. General S. Tjakra dipura, Ambassador of Indonesia to India; Mr. Alex Alatas, Special Assistant to Foreign Minister; Mr. M.S. Sahab, Minister, Embassy of Indonesia; Mr. Sos Wisudha, Head of Department of South Asia, Foreign Office; Mr. K. Setiawan, Director, Research Division for South Asia, Ministry of Defence; Mr. Jusuf Natanegara, Senior Official of the Directorate-General for Foreign Economic Relations of the Foreign Office; Mr. Achmad Djamirin, Minister Counsellor, Embassy of Indonesia; Colonel Soedarsono, Defence and Naval Attache, Embassy of Indonesia; and Mr. Trenggono, Counsellor, Embassy of Indonesia. The Minister for External Affairs of India was assisted by the Minister of State for Foreign Affairs, Shri Surendra Pal Singh; Shri Kewal Singh, Foreign Secretary; Shri V.C. Trivedi, Secretary (East); Shri N.B. Menon, Ambassador of India to Indonesia; Shri

**Foreign Affairs Record*, April 1973, pp. 153-60

Mahboob Ahmad, Joint Secretary; and Shri D.S. Kamtekar, Joint Secretary.

The Foreign Ministers reviewed the important developments that had taken place in the international situation, particularly in Asia, since their last meeting in Djakarta in August 1971. They welcomed the general trend towards relaxation of tensions in various parts of the world and expressed the hope that this trend would develop further and favourably influence other areas in the world.

The Foreign Ministers welcomed the Paris Agreements of 27 January 1973 on Ending the War and Restoring Peace in Vietnam and the Agreement on Restoring Peace and Achieving National Concord in Laos signed in Vientiane on 21 February 1973. They were gratified that as a result of goodwill and cooperation of all parties a most tragic episode in recent history involving so much misery and suffering for the Vietnamese people may at last come to an end. The Ministers were, however, conscious that many problems have still to be solved before Vietnam and Laos could be securely put on the path of enduring peace and stability, free from foreign interference. The two Foreign Ministers believed that if the ceasefire were to be converted into lasting peace, it was imperative that the Agreements should be solemnly honoured and faithfully implemented. They welcomed the prospects of peace and expressed the willingness of their Governments to contribute to the post-war reconstruction of the area.

The Indonesian Foreign Minister apprised the Foreign Minister of India of the participation of Indonesia in the Paris Conference on Vietnam and in the International Commission for Control and Supervision in Vietnam. The Foreign Minister of India noted with satisfaction the role of Indonesia in the framework of the Commission, and expressed the hope that the membership of Indonesia in the Commission would be a meaningful contribution towards peace and stability in South East Asia.

The Foreign Ministers exchanged views about regional cooperation in Asia and agreed that the principle of national strength and resilience of each of the participating countries is an important ingredient of effective regional cooperation. The Indonesian Foreign Minister informed the Foreign Minister of India of the activities and growth of the Association of South East Asian Nations (ASEAN) especially of its endeavour to safeguard the security, peace and stability of the South East Asian region. The Foreign Minister of India welcomed the progress achieved by the countries of ASEAN and the positive developments mentioned by the Foreign Minister of Indonesia. The Indian Foreign Minister also reiterated the support of the Government of India for the Kuala Lumpur Declaration calling for a zone of Peace, Freedom and Neutrality in South East Asia. The Foreign Ministers discussed various ideas regarding wider regional cooperation in Asia. They noted the progress made in this respect in other continents and agreed that Asian countries should cooperate to promote peace, stability and economic development in Asia.

The Foreign Ministers exchanged views on the forthcoming Summit Conference of Non-aligned Countries to be held in Algiers in September this year. They attached great significance to this Conference. It was agreed that India and Indonesia, who were also members of the Preparatory Committee for the Summit Conference, should continue to be in close touch on various issues concerning the Summit Conference, with a view to ensuring its successful outcome.

The Foreign Ministers reaffirmed that the elimination of great power tension and rivalry from the Indian Ocean would contribute greatly to peace and stability in the region. They recalled that non-aligned countries had declared themselves unequivocally in favour of the Indian Ocean as a zone of peace. The Foreign Ministers felt that India and Indonesia should have more frequent exchanges of views on this subject and cooperate closely in the UN Ad Hoc Committee on the Indian Ocean for ensuring the achievement of this objective.

At the request of the Foreign Minister of the Republic of Indonesia, the Foreign Minister of India explained in detail the situation on the subcontinent with particular reference to the initiatives taken by India both before and after the Simla Conference for peace and harmony among the countries of the subcontinent. The Two Foreign Ministers agreed that recognition and acceptance of existing realities in the subcontinent was necessary for furthering the process of normalisation and the establishment of a durable peace among the countries concerned. These objectives can best be achieved by direct negotiations between the countries concerned.

In reviewing the bilateral relations between the two countries the Foreign Ministers noted that there is great scope for cooperation. The Foreign Ministers, therefore, agreed that possibilities of increasing economic and cultural relations should be explored. To reach this end it was felt that arrangements should be made to identify areas of mutual interest in all spheres including those of commerce, industry, education, science, technology and culture. The two Foreign Ministers also agreed that Indonesian and Indian delegations should cooperate in regional and international forums dealing with economic and social matters.

The Foreign Ministers expressed their full satisfaction over the results of their discussions. They were convinced that the visit of the Minister for Foreign Affairs of the Republic of Indonesia and his delegation had made a significant contribution to the further strengthening and deepening of the ties of friendly cooperation between India and Indonesia.

The Minister of Foreign Affairs of the Republic of Indonesia expressed his appreciation for the hospitality shown to him and to members of his delegation during his stay in India.

*(iii) Laos***77. Prime Minister, Indira Gandhi's Speech at a Dinner in Honour of the Prime Minister of Laos, New Delhi, 28 January 1973.****(Full Text)*

I have great pleasure in welcoming Your Highness to India. You are no stranger to this country and we are always glad to welcome you as a member of our Asian family. Your visit this time is timely. Historic events are taking place in Indo-China. The Agreement which was signed in Paris has led to a cease-fire so long awaited and so long deferred in Vietnam. We are told that the war ended a few hours ago. We can only hope that the present fragile situation will lead to a durable peace. Anyhow, this does bring us one step nearer to the possibility of a cease-fire in Laos and Cambodia also. We sincerely hope that this will be so for there can be no real peace unless there is cessation of fighting in all parts of South East Asia. Historically, your country has been peace-loving. In fact one could hardly meet a more gentle people than the Laotians who are still guided by the spirit of the Buddha. And yet, for the last several years, your beautiful land and peaceful people have been subjected to the ravages of a destructive war. A great task of reconstruction lies ahead of the peoples of Indo-China. I have no doubt that the intrepid determination and the unremitting energy which the people have displayed in battle will now be diverted to the tasks of rebuilding the economy of this area. I hope that the countries of Asia and other continents will stand by you in your endeavours.

In our conversation this morning we have discussed these matters. I was once more impressed by your statesmanly vision. The future of any country is shaped primarily by its own people, but the sympathy and support of friends when offered without ulterior motive or calculation of temporary advantage can be a solace and help.

India has always believed in the concept of One World. But the conflict in South East Asia has cast its shadow on the whole world and influenced public opinion in many countries which are far removed from us. With Europe moving towards detente it seems tragic that our great continent so rich in history, tradition and culture, yet so steeped in poverty, should be the arena of conflicts which come in the way of our progress and development and which have caused so much needless suffering. I hope that Indo-Laotian friendship and bilateral cooperation will grow and be of mutual benefit to us. We shall always be willing to extend any assistance within our means to the friendly people of Laos. We hope also that such bilateral-

**Foreign Affairs Record*, January 1973, pp. 21-22.